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Southeast Asia Report



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18 DECEMBER 1986

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/9987

BURMA

BRIEFS

PRC JOURNALISTS DELEGATION--Under the bilateral cultural cooperation and exchange program, a seven-member PRC delegation headed by (Hu Yu Shan), deputy chief editor of HEBEI DAILY, arrived in Rangoon by air today. The members of the delegation are: (Sung Hsan Ying), a member of the Beijing Women Journalists Council; (Hsio Teng Yung), vice principal of the Journalism College of the All-China Journalists Association; (Hu Hsi Hong), deputy director general of the Yunnan Province broadcasting station; (Wan Tan Hsio), head of Burmese language department of the Beijing radio station; (Pyo Tung Ywa), director of the Central Documentary and Motion Picture Department; and (Wu Set Lin), Chinese woman journalists. In the afternoon, the delegation called on the managing director of the News and Periodicals Corp. and visited the printing press of the WORKING PEOPLE'S DAILY English newspaper. [Summary] [Rangoon Domestic Service in Burmese 1330 GMT 19 Nov 86 BK] /9599

COMBAT ACTIVITIES OF PEOPLE'S ARMY--On 16 November, the People's Army attacked and overran the enemy camps on (Ho Kyo) hill range in Kutkai District. According to incomplete reports, a total of 92 enemy soldiers were killed or wounded. The People's Army captured 5 heavy weapons, 15 (?small arms), many rounds of ammunition, (?field phones), and other military supplies. Between 19 and 20 November, the vengeful enemy, deploying six regiments, launched 10 attacks to recapture those camps. The People's Army repulsed those attacks and, according to incomplete reports, a total of 111 enemy soldiers were killed or wounded in the campaign. [Text] [(Clandestine) Voice of the People of Burma in Burmese 1200 GMT 2 Dec 86] /9599

CSO: 4211/13

INDONESIA

BRIEFS

DROUGHT IN IRIAN JAYA--Jakarta, 19 Nov (AFP)--A prolonged drought in the central highlands of Indonesia's easternmost province has left 84 people dead, most of them infants, the official ANTARA NEWS AGENCY reported Wednesday. The drought in four villages in the remote mountainous district of Jayawijaya in Irian Jaya Province has also damaged scores of hectares (acres) of food crops, District Chief Albert Dien was quoted by ANTARA as saying Wednesday. He said the victims, mostly children under 5 years of age and old people, died because of illness and lack of food, the news agency said. The four villages lying some 3,700 meters (12,139 feet) above sea level, have a population of 16,704 people and are entirely dependent on rain for drinking water and agricultural purposes, ANTARA said. Government food and medical aid sent to Wamena, the district capital, had been held up by a lack of transport as the stricken area is only accessible by small light aircraft, Mr Dien told ANTARA. [Text] [Hong Kong AFP in English 1444 GMT 19 Nov 86] /9604

RICE FOR SRV--Indonesia will ship 100,000 tons of rice to Vietnam next month, cooperatives minister, concurrently head of the National Logistics Agency [Bulog], Mr Bustanil Arafin, said in Jakarta yesterday. He told newsmen after meeting with President Suharto that Vietnam had requested 200,000 tons of rice, but Indonesia could only meet 100,000 tons. Last May, Vietnam asked for 100,000 tons. Minister Bustanil Arafin also said that Vietnam will return the aid in the form of rice within 3 years. Besides Vietnam, Indonesia also sent rice aid to the Philippines totaling 150,000 tons. The 100,000 ton-aid in 1984 will be returned [words indistinct]. [Text] [Jakarta International Service in English 0800 GMT 19 Nov 86] /9604

CLOSER AUSTRALIAN-ASEAN TIES URGED--Indonesian Trade Minister Rakhmat Saleh has called on Australia to work closely with ASEAN to remove trade barriers and make efforts to boost trade, especially with the industrially advanced companies. The minister made the appeal at the 15th annual meeting between the Cooperation Council of the Indonesian Trade and Businessmen and the Australia-Indonesian Businessmen Cooperation Committee in Jakarta yesterday. Minister Rakhmat Saleh also said he expected that Australia, Indonesia, and the other ASEAN members would be able to overcome the barriers so that their goods could enter the advanced countries' market.

He also hoped that bilateral cooperation between Australia and Indonesia would be stepped up in the future because both countries' economies are supplementary [as heard]. [Text] [Jakarta International Service in English 0800 GMT 21 Nov 86] /9604

HUNGARIAN DEFENSE OFFICIAL MEETS SUHARTO--Jakarta--Lieutenant General Dr Lajos Morocz, state secretary to the Ministry of Defense of the Hungarian People's Republic, accompanied by Hungarian Ambassador to Indonesia Gyula Baranyi, paid a courtesy call on President Suharto at Bina Graha, Jakarta, on Thursday [20 November]. No details were given about the discussions held during the 30-minute courtesy call. Gen L.B. Murdani, commander of the Armed Forces of the Republic of Indonesia, who accompanied the Hungarian guest, said that Lt Gen Lajos Morocz' visit to Indonesia was to return his visit to Hungary last year. At that time General Murdani was accompanying President Suharto on a state visit to Hungary. General Murdani said that Lt Gen Lajos Morocz has a great interest in the education of officers. Accordingly, he will visit the Military Academy in Magelang and the Air Force Academy in Yogyakarta during his visit to Indonesia. [Text] [Jakarta BERITA BUANA in Indonesian 21 Nov 86 p 1] /9604

CSO: 4200/167

LAOJ

AUSTRALIAN AID PROJECT, LAO DIRECTOR PROFILED

Bangkok THE NATION in English 29 Oct 86 p 16

[Text]

A LAO woman is directing an Australian livestock development project on the Vientiane Plain in Laos.

Manivone Viravong has been director of the project since 1982 but her link with Australia goes back to her school days.

She spent two years at McKinnon High School in Melbourne in 1974/75 before going on to Melbourne University. She graduated B.Sc. in 1980.

Manivone married fellow Lao student while at Melbourne University. Her husband, an engineer, now works on a major hydro-electric station in southern Laos. They have two children.

Last year she returned to Australia for 12 months to complete a diploma in agricultural economics at New England University in northern New South Wales.

She says she is proud to be the only woman directing a major project in Laos. "It is very satisfying to be able to serve my country and at the same time retain a link with Australia," she said.

Australia is spending about A\$46 million (almost 100 million baht) this financial year 1986/87 on four aid projects in Laos.

In addition to livestock development, there is a livestock feed project, a joint Lao-Australian irrigation scheme and a programme under which the Australian Government is helping the Lao Ministry of Agriculture to develop self sufficiency in the maintenance of heavy equipment, earthmoving plant, trucks and tractors.

/13046

CSO: 4200/175

LAOS

STATUS OF KING DISCUSSED

Bangkok BANGKOK POST in English 27 Oct 86 p 5

[Text]

Luang Prabang, Laos (Reuters) — The best-kept secret in this enigmatic land is whether former King Savang Vatthana, who abdicated when the communist Pathet Lao took power in 1975, is dead or alive.

Residents of Luang Prabang, the misty mountain town that was the royal capital of Laos' "Kingdom of a Million Elephants," remember the monarch and Crown Prince Vong Savang being arrested and taken away in 1977.

But neither the residents nor officials in the capital Vientiane could say whether Savang Vatthana, who would now be 78, had died in his new quarters near the Vietnamese border.

Western diplomats in sleepy Vientiane, 240 km south of here, are also baffled.

"A very high-placed source told me he is alive — old and ill but alive," one senior diplomat said.

With equal conviction, another envoy said: "I believe he died in a re-education camp and the Laotians don't want to announce it."

Part of the fascination about the king's fate stems from the bewildering royal family intrigues that dominated politics here following Laos' full independence from France in 1953.

DEVOUT

While the devout Buddhist monarch stayed aloof, his cousins — half-brothers Prince Suvanna Phouma and the "Red Prince" Suphanuvong — fought on opposite sides to control the country.

Suvanna Phouma was prime minister of the US-backed government until 1975, when Pathet Lao leader Kaysone Phomvihane replaced him and Suphanuvong became president.

In keeping with Laos' gradual style of revolution, the Pathet Lao officially supported the monarchy during their armed struggle. Once in power, they abolished it but invited the king and crown prince to become special advisers to the government.

The royals, who refused to participate, were allowed to live in their teak-floored palace here as anti-government guerrilla activity grew in the lush forested hills all around.

In March 1977, Vientiane, fearing the royals backed the fighters trying to overthrow the new communist government, sent Savang Vatthana and Vong Savang off to house arrest in Viengxay in Sam Neua province bordering northern Vietnam.

LIVES

Some government officials will say that the king now lives in a villa there. "He lives normally, has a few servants and a garden he can tend," one said.

The word "villa" is probably an exaggeration.

Pathet Lao leaders lived for two decades in caves in Viengxay when the rugged mountain area was their base for the North Vietnamese-backed struggle for power.

Although the 700-year monarchy is gone, its traces abound in this quiet town dominated by saffron-robed Buddhist monks and the 56 temples they struggle to keep up against the monsoon rains drenching the area every year at this time.

Gilded reliefs along the walls of the steep-roofed temples show scenes from Buddhist tales and court life.

Mystery surrounding the king seems bound to continue since the government, wary about the possible support the royal family might still have among the peasantry, is determined to treat him as a non-person.

"Since 1975, the king has been an ordinary person," one official explained. "So if he died tomorrow, we would not print an obituary."

LAOS

PESSIMISTIC OUTLOOK FOR ECONOMY

Bangkok BANGKOK POST in English 27 Oct 86 p 5

[Text] **ALREADY one of the world's poorest nations, communist Laos is plagued by inefficiency in virtually every economic sector and is facing a dangerously escalating foreign debt, according to a new study.**

The World Bank says production has been poor even in agriculture, Laos' brightest sector. Yields in the national staple crop of rice are the lowest in Asia.

The landlocked Southeast Asian nation, unable to produce any significant savings, has had to depend heavily on foreign loans, but the debt is mounting to unwieldy proportions, the bank says in a 163-page confidential report.

Despite its wealth of natural resources, the report said, Laos' economy has become "increasingly subsistence-oriented" and focused on sustaining, rather than improving, the bare standard of living.

The report, dated July 15 and recently obtained by the Associated Press, is one of the few outside sources of information available on Laos. Ruled by the Communist Pathet Lao Party since 1975, Laos strictly limits access by Western journalists.

Most of the figures cited in the study are World Bank estimates based on information supplied by the government, which gets loans from the institution. The report is based on a visit

by World Bank officials in September and October 1985.

ISOLATED

Highly isolated from the West, Laos is among the world's poorest nations. The government estimated the annual per capita income at \$135 in 1985. The population is estimated at 3.5 million.

The Soviet bloc provides much of the economic aid and an estimated 40,000 Vietnamese troops stationed in the country are involved in road-building and other projects.

The report said Laos had to turn to foreign borrowing to pay for imports and investment projects because there was virtually no national savings during 1980-85. The country has succeeded in attracting loans with highly concessional terms.

Foreign debt rose from \$244 million in 1977 to \$410 million in 1984, the bank said. The figure pales in comparison to the world's top debtor nations, but Laos' gross domestic product last year was estimated at only \$489 million.

The bank estimated that the debt service ratio — debt repayments as a percentage of total exports — rose from 13.2 per cent in 1983 to 33.2 per cent in 1985.

STAGNATED

At the same time, the report said, annual exports have stagnated at \$42 million since 1982, while imports rose to an estimated \$1.63 million in 1985. Main exports include electricity, coffee, and timber and wood products. Main imports include petroleum products, machinery and raw materials.

"If these trends continue ... The increase in imports and investment would result in a rapid accumulation of the external debt, which would not be financially sustainable in the long run," the report said.

Japan and West Germany are Laos' major individual creditors and the World Bank and the Asian Development Bank its largest multinational creditors.

A major problem, the bank said, is the low rate of return on investment.

From 1977 to 1985, investment increased from about 19.1 per cent to 25 per cent of the gross domestic product (GDP). But the average growth of the GDP fell from 7 per cent a year in 1977-80 to 5 per cent a year in 1980-84.

Despite relatively large investment, industrial output declined about 10 per cent between 1980 and 1984, and transport and commerce grew much more slowly than the planned rates.

By 1984, the bank said, industry accounted for 5.6 per cent of the total economy and the growing agricultural sector for 62.5 per cent — both figures among the world's extremes.

"This indicates ... the economy has increasingly become a subsistence-oriented economy," it said.

The report said the most glaring inefficiencies were in agriculture, the economy's strongest sector.

Laos achieved national self-sufficiency in rice in 1984, but paddy yield per hectare is the lowest among all the large rice-producing countries of Asia, the bank said. The rate of growth of rice

production in 1980-85 was less than half of that during the previous four years, it said.

It said only about one-third of the land developed for dry season cultivation is planted during that season. While 8 per cent of the total land is cultivable, only 3 per cent is regularly put under crops.

The bank recommended that Laos, instead of focussing on expansionary projects funded by high investment and foreign loans, adopt "an intensive growth path" relying on increases in efficiency and better use of existing resources.

It said the government should increase savings by state enterprises, individual farms and the central government. This can be done by improving agricultural taxation, making the management of public enterprises more efficient, and adjusting prices to reflect true cost, it said.

/13046

CSO: 4200/175

PHILIPPINES

AFP, TRIBE ATTACK DAVAO NPA CAMP

Davao City DAVAO STAR in English 5-7 Nov 86 pp 1, 5

[Article by Bong S. Dizon]

[Text]

KAPALONG, Davao Province (MM NS) - Some 300 men, women and children evacuated to a municipal gym here over the weekend as the military bombed suspected rebel camps and some Ata tribesmen unleashed a so-called "pangayao" (killing rampage) against the members and sympathizers of the New People's Army (NPA).

There are 61 Ata and 9 Christian families at a gym located behind the Kapalong municipal hall, according to Datu Regino Durada in an interview yesterday afternoon.

Councilor Dionisio Bernardino said the evacuees, who arrived at the evacuation center since Friday, come from Barangays Sa-

wata, Datu Balong, Petel and Langan in Asuncion. "Some evacuees are staying in their relatives in other towns," he said.

The intensified anti-insurgency drive came in the wake of the reported offer of a 100-day truce by the National Democratic Front (NDF) to the Aquino government. Few months ago, the CPP-NPA NDF signed with the provincial government and civic-religious groups a ceasefire agreement which was not accepted by President Aquino.

Ata evacuees told newsmen that they heard loud explosions and successive bursts of gunfire for several hours last Wednesday along the bar-

der of Laac and Kapalongs, some 20 kms. from the capital town bombing which was Regional Unified Command (RUC XI) was aimed at Barangays Tagasan, Ampawid, Mabahan, Panamoren and Lubho, the evacuees said.

A youthful Ata disclosed that after the bombing a "pangayao" followed suit. The "pangayao" perpetrators are mostly former members of the Civilian Home Defense Force.

Police Station Commander Sgt. Romeo Esteva said four

suspected NPAs were killed by heavily armed Ata tribesmen.

"This is like the Alsa Masa," the police officer said. Alsa Masa, a military-backed group in Agdao, has openly campaigned against the insurgents.

As this developed, Governor-designate Prospero Amatong had sent foodstuffs and medicines worth P10,000 to Kapalong as an initial aid to the evacuees. The International Committee on Red Cross also extended assistance to the hapless Filipinos.

/9274

CSO: 4200/182

PHILIPPINES

MILITARY SUSPECTS NEW NPA FRONT OF BEING ARMS DROP

Davao City THE MINDANAO DAILY MIRROR in English 7 Nov 86 pp 1, 9

[Text]

The CPP-NPA recently expanded their number of guerrilla fronts in Mindanao from 25 to 27 with the objective of strengthening their footholds in the eastern part of the island.

Southcom Chief Brig. Gen. Tapia disclosed in a bi-regional command conference at the RUC-XI headquarters yesterday that "front 27 was activated in the vicinity of Davao gulf" and that he sees no other tactical importance of said move except "to anticipate the possibility of arms shipments."

Tapia did not specify if

such arms shipment will come from abroad or from other points in the country.

The Southcom chief also expressed apprehension on unconfirmed reports that Ilongos in North Cotabato are organizing an Ilaga-KM group in response to the recruitment and arms build-up of the Maguindanaos in the area particularly the Moro Islamic Liberation Front.

He said that the MILF slighted at being left-out in that ongoing consultations to resolve the Mindanao problem "and might resort to hostilities to catch the attention of government."

Meanwhile, Regional Unified Command XI Chief Brig. Gen. Romeo M. Recifia reported that his command "initiated a total of 123 small-arms operations for the month of October" to prevent communist insurgents from exploiting the ceasefire talks.

He also reminded provincial commanders that it is the NAFP's longstanding policy to no longer maintain stationary checkpoints in the wake of adverse public reports regarding such checkpoints.

Yesterday's command conference was presided by the New AFP's deputy chief of staff, Maj. Gen. Eduardo Ermita in behalf of Gen. Fidel V. Ramos. Ermita urged field commanders in regions 11 and 12 to maintain strict discipline as a breakthrough in the proposed cessation of hostilities will accentuate "the battle for the minds of the people."

"The rest propaganda is performance," Ermita said citing the need to maintain unity under the chain of command as stimulated by the constitution.

Ermita also made it clear that "all police functions in the enforcement of the law will not in any way be hampered by the ceasefire negotiations or by a ceasefire agreement."

/9274
CSO: 4200/182

PHILIPPINES

REBEL PRIEST SNUBS SURIGAO PEACE RALLY

Davao City THE MINDANAO DAILY MIRROR in English 4 Nov 86 p 3

[Text]

TANDAG, Surigao Sur — Fr. Frank Navarro, a rebel priest did not attend the peace rally which was held last week at the Tandag town plaza.

MOI Provincial Officer Ben Galve reported that Navarro had earlier informed the public that he could not possibly attend the rally due to "non-assurance of the military of the safety of his life and hundreds of the members of his security force". He said that the rally was "just the first move for possible negotiations although not for laying down their arms or surrender as this will mean an act of infidelity to the cause of justice and freedom."

The rally in the capital town

was the first to be held in the province. It was jointly sponsored by the Provincial Development Task Force (PDTF) led by Gov. Felicidad Ty Pimentel and the Diocese of Tandag headed by Bishop Amantillo who also acted as the moderator of the affair. With its theme, "Peace and Reconciliation—a Key to Progress," the peace rally was attended by the various sectors of the community coming from the different municipalities of the province.

Atty. Jose Zapra represented the cause-oriented groups while the protestant religious was represented by Rev. Francisco B. Serro and Pastor Dino Ortiz. — (MOI/JSI)

/9274

CSO: 4200/182

PHILIPPINES

COMMENTARY URGES SECTORS TO ACCEPT COMMUNIST CHALLENGE

Dipolog City THE MINDANAO OBSERVER in English 29 Sep 86 p 4

[Commentary: "The New Communist Challenge"]

[Text]

The recent organization of the "Partido ng Bayan (PnB)" by ex-Communist Jose Maria Sison presents new political challenges.

To the Communist Party of the Philippines (CPP), the PnB is a challenge to its narrow-minded ideology. This is because PnB is open-minded to reformist means in the achievement of Communist ends.

To the present government, the PnB challenges its sincerity in pursuing national reconciliation. If the government is really determined to achieve peace, then it must not undermine PnB's peaceful political objectives.

To the Philippine society, the PnB challenges it to become really pluralistic and less antagonistic to communist ideology. If Philippine society can imbibe Communist principles without violent consequences, then the way to REAL PEACE is laid.

To the Philippine political future, the PnB challenges it to be limited to only two. This is because the acceptance of peaceful communism can guide to internal peace but its rejection can lead to civil

war.

In sum, the PnB presents new challenges to the CPP, government, society and political future. Most significant, of course, is the limitation of the Filipinos' political future into real peace or civil war!

PHILIPPINES

PROVINCIAL PAPERS VIEW CONSTITUTIONAL PLEBISCITE

Rejection Foreseen

Cebu City VISAYAN HERALD in English 11 Nov 86 p 4

[Commentary by Atty Vicentes del Rosario in the "Bombshell" column: "Filipinos Will Reject Cory Constitution"]

[Text] Before I render my honest judgment on the draft constitution carpentered by 48 Aquino appointees, I feel it my moral duty to tell our readers of my qualifications considering that the drafters of the proposed constitution are men and women composing the cream of their respective professions and those who advocate for its ratification like Jaime Cardinal Sin and Raul Manglapus, to name a few, are people of great knowledge and prestige.

As I wrote this, I would like to impart the fact that I am one of the four oldest lawyers in Cebu being in the profession for 55 years already. And for this long years of lawyering I have read many constitutions of different democratic nations of the world especially countries in North America, Europe, our own Malolos constitution, the 1935 and 1973 constitutions and I have never come across with a single democratic constitution that set up a provision giving more than 6 years term of office to the chief executive gratis. And what is perplexing and funny is that the draft constitution deprives us of the right to elect our President and Vice-President but giving us the right to elect senators, congressmen and other elective officials. What kind of a constitution is this?

It is my humble opinion and I am certain that we will be made the laughing stock of other democratic countries of the world if we will ratify this funny, ridiculous and anomalous draft constitution. Another mortal flaw in this draft is while it give autonomy to a few Muslims of Mindanao and the Igorots of the Cordillera constituting around 4 million people, it deprives us Christians numbering around 50 million, the same privilege to possess local autonomy. Why is this so? This is indeed an undemocratic and an abnormal provision because it is discriminatory against the Christians which constitute the majority of our population. What makes the Muslims and the Igorots special people to the President?

In fine, I believe and so opine, that the Filipino people will reject this draft constitution so as to avoid being the object of ridicule in the eyes of the other democratic countries of the world.

Cotabato City THE MINDANAO CROSS in English 25 Oct 86 p 4

[Editorial: "What If the Charter Is Not Ratified?"]

[Text]

The early indications are that the New Constitution will have rough sailing to ratification. In fact, it is not improbable that the multi-faced opposition to the Charter would scuttle it enroute.

Nationalist groups are opposing the ratification of the constitution for they consider it not pro-people and as having been dictated by foreign interests. As expected, the Marcos loyalists led by former Senator Arturo Tolentino has started campaigning for rejection of the draft constitution. The Nacionalista Party is also against ratification.

Even the United Nationalist Democratic Organization (UNIDO) of Vice President Salvador H. Laurel still has to define its stand. Some pro-American groups will oppose ratification due to some provisions suggesting the removal of the U.S. military bases. Labor groups may be evenly split.

Certainly, the majority in the Constitutional Commission which voted for the draft constitution will campaign for ratification. They will join forces with President Corazon C. Aquino, who had already fired her first salvo for approval during her two-day visit to Negros Occidental and Iloilo. The PDP-Laban, other parties with the President, and the local government OIC's will all go out for ratification.

President Aquino, members of her cabinet, the Con-Con commissioners, and all others behind the President must campaign hard for ratification. Rejection, according

to Justice Minister Neptali Gonzales would mean the continuation of the Freedom Constitution as the fundamental law of the land and the calling by President Aquino of an election of constitutional convention delegates to draft another constitution.

But rejection will mean more than this. It will put in grave question the moral and legal capacity of President Corazon C. Aquino to continue as President:

— Section 7 of the Transitory Provisions legalizes beyond question the incumbency of President Aquino and Vice President Laurel by providing that they had been "elected in the February 7, 1986 election" and their six-year term is "extended to noon of June 30, 1992." Rejection would mean the repudiation of their election, the withdrawal of the presumed mandate of the people — a virtual recall.

— Rejection would put to grave doubt the power of President Aquino to call an election for delegates to the constitutional convention. As her powers under the revolutionary government is based on "people's power", rejection would mean the recall by the people of that "power".

— Section 1 of the Transitory Provisions calls for the holding of the elections for members of Congress on the second Monday of May, 1987 and empowers the President to determine the date of the local elections. Rejection would mean a government without a legislative branch and the continuation in office of local ex-

ecutives without mandate from the people.

— As rejection could mean the withdrawal by the people of their presumed mandate and the recall of their "people's power", President Aquino's and her government's moral and legal basis to continue in power would suffer grave infirmity. She and Vice President Laurel cannot submit to a new election, even if they want to, for there is no legal basis to call such an election.

Under these probable realities in case of rejection, President Aquino can continue in the presidency propped up by the military or another power behind her. The country will become more politically unstable under a form of dictatorship. Will President Aquino like this?

At stake in the plebiscite to ratify the New Constitution are more than the political, ideological, economic and other interests at issue no matter how fundamental. At stake are two very basic and vital options: The stability of a government under a constitutional rule, or instability under a revolutionary, and eventually dictatorial, regime.

The draft constitution may be defective. But, if allowed to stabilize the Aquino government and the other governments after her, it has the mechanism by which to cure the defects. The forthcoming plebiscite will test how high the Filipinos and their leaders can rise above partisan politics and individual and ideological biases.

THAILAND

MILITARY SOURCES DISCUSS MOVES TO PROMOTE CROWN PRINCE

Bangkok KHAO PHISET in Thai 29 Sep-5 Oct 86 pp 17,18

[Text] "At this point, the Royal Thai Army has not yet announced any moves or promotions among high-ranking officers. An army committee is reviewing the performances of special colonels and executive officers. We will have to wait until this review is finished to know what is going on." Major General Narujdol Dejpradiyuth, the army secretary, told KHAO PHISET at the press conference regarding the promotion of the crown prince from commander of the King's Guard Regiment to vice commander of King's Guard Division 1.

THE NATION was the first newspaper to report the promotion of the crown prince to vice commander of the King's Guard Division on its front page on 21 September 1986. At present, the crown prince is commander of the King's Guard Regiment reporting to King's Guard Division 1. He will replace Colonel Montree Tippayavathe, vice commander of King's Guard Division 1, who will be promoted to major general and transferred to the adjutant general's department as the assistant director on 1 October 1986. The promotion of the crown prince is expected to be announced in October, when transfers and promotions among middle-rank officers will be reviewed. However, neither the Royal Thai Army nor those officers involved in these transfers have yet confirmed this information.

On 22 September, a daily newspaper NAELNAH, reported that Lieutenant General Suchinda Kraprayul, who was promoted to vice chief of staff on 1 October said that transfers and promotions among officers at the levels of vice commander of a division, commander of a regiment, and below would be reviewed in October. NAELNAH added that after interviewing some high-ranking officers of the Royal Thai Army, there was still no confirmation regarding these transfers or promotions.

One high-ranking officer explained that the King's Guard Regiment was once a battalion reporting to Infantry Regiment 1. Colonel Bandit Malaiarisoon, presently vice commander of Division 1, was a former commander of the battalion. This battalion became the King's Guard Battalion, then the King's Guard Troop, and finally the King's Guard Regiment.

At the beginning, the King's Guard Regiment had only one battalion. In 1985, it was expanded to two battalions. The crown prince has been in this regiment

starting as vice commander of the battalion, then executive officer, and in the end he received the title of special colonel. One can say that the crown prince has mostly built this "General Headquarters" himself from the very beginning.

A high-ranking officer told KHAO PHISIT that the crown prince has been in this regiment since he graduated from the Institute of the Army Chief of Staff. Several high-ranking officers in the army agreed that if the crown prince were promoted to be vice commander of King's Guard Division 1, he should also assume his former responsibilities as the commander of the King's Guard Regiment.

General Chavarit Yunchaiyuth, RTA commander in chief, responded at the interview regarding transfers and promotions of special colonels and colonels that all reviews will be completed by the middle of October. The general said that there was no special consideration concerning the promotion of the crown prince and there was no confirmation of this promotion.

The rank of vice commander of King's Guard Division 1 is the next step from commander of the regiment, and therefore several commanders will be considered, including commander Vatana Bhunyasitt, commander of the regiment, which reports to the King's Guard Division as well.

According to the news source, the possibility of the promotion of the crown prince depends on the Army Committee. However, it was quite obvious that the crown prince had proved himself and that he had successfully completed his duties as an ordinary military officer. Moreover, he also had other responsibilities as the crown prince. These other responsibilities that were added to his usual ones should also be considered.

Whether the prince is promoted or not, he will always be a beloved protector for Thai people at all time.

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THAILAND

CHAWALIT OFFICIATES AT PRINCESS' TAPE FETE

Bangkok THAI RAT in Thai 24 Sep 86 pp 1,6

[Text] Princess Chulapornwarailak, accompanied by Lieutenant Commander Veereyuth Dhitsayasarin, went to the Military Auditorium on 23 September to distribute copies of a tape entitled "Duangthip." The revenue from these tapes will be used to construct a building to be called Siammintara in celebration of the 100th anniversary of Sririraj Hospital.

Thousands of people came to greet the princess and joined the tape fete. Among them were several commanders, including RTA Commander in Chief Chawalit Yongchaiyuth, other superintendents, and Khunying Pankrua Yongchaiyuth, the president of the "Maiban Tapbok Association" and its committee.

RTA Commander in Chief Chawalit Yongchaiyuth expressed his gratitude to the princess, who attended the tape fete and distributed tapes herself, and said her presence would encourage people to participate in this contribution for the Siammintara building. He added that this building will also honor the 60th birthday of his majesty the king in 1987. The commander in chief started the tape fete by buying 900 tapes. The princess gave her autograph to everyone who bought the tape.

At the press conference, Major General Narudol Dejpradiyuth, secretary of the military, announced that the princess had brought 50,000 tapes to sell at the tape fete, and her initials were written on each tape. A reporter asked what the commander in chief would do with 900 tapes, and the secretary of the military explained that those tapes will be given to all radio stations in the nation to publicize this project.

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THAILAND

ENVOY TO PRC PROFILED, COMMENTS ON TIES

Bangkok THAI RAT in Thai 12 Oct 86 p 3

[Lunch with Kowit Sitalayan column; Interview with Detcha Bunnak, the Thai Ambassador to the PRC by THAI RAT at Papa Wiphawadi; date not specified]

[Excerpts] The Thai ambassador to the People's Republic of China, Mr Detcha Bunnak, earned his doctorate in London. He once served as the deputy under secretary of foreign affairs. He talked with us at Papa Wiphawadi.

"I attended kindergarten at the Paworolan Withaya School and then transferred to the Rachini School," said the new ambassador to the PRC. "After that, I entered Wachirawut School. My father was assigned to the embassy in London, and I went with him. I had completed Grade 5 at Wachirawut School. Fellow classmates included MJ [Royal title--FBIS] Chatrichaloem Yukhon, who has made movies, and Dr Phiriya Krairuk. I went to London when I was 11 years old. While I was in London, I won a Ministry of Foreign Affairs scholarship. That was the first time that they had offered such a scholarship. Thus, I studied there on a scholarship. By chance, I placed first on the test. I studied on a government scholarship. After graduating, I entered Cambridge University, where I earned my bachelor's degree in history. I earned my master's degree and doctorate at Saint Anthony University. After earning my doctorate, I returned to Thailand and went to work as a government official on 10 February 1969. The Civil Service Commission assigned me a position on 11 February 1969. I have been a government official ever since."

[Question] "What was your first position in the Ministry of Foreign Affairs?"

[Answer] "I began my government career as a second secretary with the News Division, Information Department. My first divisional chief was Mr Manatphat Chuto, and my first director-general was Mr Sawat Butsaparuk. I worked in the Information Department for about 3 and 1/2 years. After serving in the News Division, I was transferred to the Public and Cultural Affairs Division. I was then transferred to the East Asia Division, Political Department. I was still a second secretary. I passed the examination for Grade 1 officials. I was helped by Mr Chawan Chawanit. He helped me become the chief of the East Asia Division. Mr Phaen Wannamethi helped me, too. At that time, he was the under secretary of foreign affairs."

[Question] "How long did you serve as the chief of the East Asia Division?"

[Answer] "I served as chief of the East Asia Division for 4 years. That was the period in which we reestablished relations with China. We had made initiatives to reestablish relations with China during the administration of Prime Minister Thanom Kittikhachon. At that time, Mr Prasit Kanchanawat was the minister. It was the Thanom administration that decided to make contact with China. That was at the end of 1972. At the end of that year, a badminton team was sent to China in order to help establish friendly relations with China. Police Gen Chumphon Lohachala was the team captain. Mr Phaen Wannamethi was the director-general of the Political Department. He went, too. Dr Phro Niwatuang was the team doctor. As the chief of the East Asia Division, I went, too. We discussed political matters with the director-general of their Political Department, Mr Thutlu Weichow, who is retired now. We asked them if there were any obstacles to improving relations between Thailand and China. They said that Revolutionary Council Announcement No 53 was an obstacle. That announcement prohibited trade with mainland China. When we returned, we asked the government whether it would be possible to repeal this announcement. By chance, that was when war broke out between the Arabs and Israel. The Arabs announced that they would not sell any oil. It looked as if it would be difficult for us to obtain any oil. Maj Gen Chatchai Chunhawan was the deputy minister of foreign affairs. He went to Saudia Arabia and then flew to China for talks. Minister Chatchai decided to ask to purchase oil from both Saudia Arabia and China. China said that it was willing to sell oil to us. We began purchasing oil from China even before the repeal of Revolutionary Council Announcement 53. Later on, the Legislative Council repealed this announcement."

[Question] "When did you go to China?"

[Answer] "Later on, I went to China as a member of the Olympic committee. I accompanied Air Chief Marshal Thawi Chunlasap. Relations gradually improved. During the administration of MR [Royal title--FBIS] Khukrit Pramot, the government's policy was to establish relations with China. I was there when we announced the establishment of friendly relations with China on 1 July 1975."

[Question] "What about the time that you spent in Jakarta?"

[Answer] "I served as the secretary at the Thai embassy in Jakarta. I was there for 3 and 1/2 years. The ambassador at that time was Mr Thaloengchai Chatprasoet. At the end of 1979 I returned and was appointed a divisional director in the Political Department. I then served as deputy director-general for 2 years. After that, I became an ambassador attached to the ministry and the deputy under secretary. Now, I have been appointed ambassador to the PRC."

[Question] "As a member of the UN Security Council, Thailand condemned the United States. Do you think it was wise for us to become a member of the Security Council?"

[Answer] "That year, Mongolia applied to become a member of the Security Council. Because Mongolia belonged to a different bloc, that could have harmed our interests. We did not have a choice. We had to make that decision. After

applying, we had to seek votes. At that time, I was an ambassador attached to the ministry. I was sent to win support among the African nations. After we became a member of the Security Council, trouble broke out between the United States and Libya. We had to express our views. We have been a member of the Security Council for 2 years now. I think the pluses have outweighed the minuses."

[Question] "What are your goals during this tour as ambassador to China?"

[Answer] "My goal, or duty, is to maintain the good relations between Thailand and the PRC. I will also try to improve relations. Another thing is economic and trade relations between our two countries. Today, the value of trade exceeds \$500 million a year. My job is to increase that. We have to find new types of goods to sell to China. During the period 21-28 October, their deputy prime minister for economic affairs, Mr Tian Jiyun, will come here on an official visit."

[Question] "Is it true that your grandfather once served as ambassador to China?"

[Answer] "My grandfather, Phraya Aphibanratchamaitri, was the last Thai ambassador to Nanking just before China changed its administrative system and became a communist country. When I go to Beijing this time, I will take along the Buddha image that my grandfather took to Nanking."

[Question] "China has a president, Li Xiannian, and a premier, Zhao Ziyang. But it seems as if real power rests with Deng Xiaoping."

[Answer] "China has a position that is referred to as paramount leader. Deng Xiaoping does not hold any position in the government. He is the chairman of the Military Subcommittee. But he does not want to have total power. He has given great responsibility to several of his subordinates. He is highly respected. He is acknowledged as the paramount leader."

Detcha Bunnak, age 42, the former chief of the East Asia Division and present Thai ambassador in Beijing, the capital of the PRC, a country of great importance to Thailand and a country with a population of 1.1 billion people, then began eating his lunch.

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THAILAND

CRMA CLASS 5 SOURCES DISCUSS SENIOR ASSIGNMENTS

Bangkok DAO SIAM in Thai 7 Sep 86 pp 1, 16

[Excerpt] In this year's annual military reshuffle, at the level of army region commander, two officers from CRMA [Chulachomklao Royal Military Academy] Class 5 were appointed army region commanders. Maj Gen Isaraphong Nunphakdi, or Big Tui, the deputy commander of the 2d Army Region, was appointed commander of the 2d Army Region in place of Lt Gen Phisit Mobut, who has been appointed deputy RTA CINC. The other is Maj Gen Wimon Wongwanit, the commander of the 1st King's Guard Division, who is returning to the paratroopers after being transferred from his position as commander of the 1st Special Forces Division in October last year. He has been appointed commander of the Special Warfare Command, which is equivalent to an army region. He replaces Lt Gen Sunthon Khongsomphong, Big George.

A high-level news source has informed us that the original plan was to appoint Maj Gen Wimon commander of the 2d Army Region. Maj Gen Isaraphong Nunphakdi, who was appointed 2d Army Region deputy commander last year after serving as commander of the 1st King's Guard Division, was supposed to be appointed 1st Army Region commander in place of Lt Gen Phichit Kunlawanit, Sua Yai. But in any event, CRMA Class 5 is satisfied, because the class has increased its power. When Maj Gen Wimon Wongwanit was appointed commander of the Special Warfare Command, Maj Gen Khachon Ramanwong, the commander of the 2d Special Forces Division, was promoted to deputy commander of the Special Warfare Command. Thus, Class 5 members moved up together. If Maj Gen Wimon had been appointed 2d Army Region commander, Maj Gen Somphon Toemthongchaiya, the commander of the 3d Infantry Division and another member of Class 5, would have been appointed deputy 2d Army Region commander. Another news source said that CRMA Class 5 feels that Maj Gen Isaraphong was a more suitable choice for 1st Army Region commander, but on the whole the class is satisfied with the appointments. Because in the 1st Army Region, Maj Gen Choetchai Thirattranon, the commander of the Kanchanaburi-based 9th Infantry Division and another member of Class 5, has been appointed deputy commander of the 1st Army Region. Our news source said that senior people spent much time considering the appointments of Maj Gen Wimon and Maj Gen Isaraphong and that they attached special importance to these appointments. In the end, they decided to appoint Maj Gen Wattanachai Wutisiri, Phi Krot," the deputy 1st Army Region commander, commander of the 1st Army Region in place of Sua Yai, Lt Gen Phichit Kunlawanit.

A high-level news source said that CRMA Class 5 also has control of command positions in the 3d Army Region. That is, Maj Gen Choe Phosinak is the commander of the 4th Infantry Division. He was not promoted to deputy army region commander this year. But he will definitely be promoted next year. It is thought that Maj Gen Choe has a good chance of becoming the next 3d Army Region commander after Maj Gen Chaichana Tharichat, the new commander, moves up in 2 years.

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THAILAND

SOURCES DESCRIBE ARMY'S, POLITICIANS' CONCERNS IN POSTS

Bangkok LAENG KHAO in Thai 29 Sep-6 Oct 86 pp 12-14

[Unattributed report: "Phichai: Playing the Best Card Was a Mistake"]

[Excerpt] "On the afternoon of 9 August, the prime minister called and asked me to come see him. I and Mr Wira, Mr Marut, Mr Banyat, and Mr Samphan Thongsamak met with Gen Prem at his Sisao residence. Gen Prem said that if the Democrat Party insisted on being given 17 seats, he would have to reconsider his position. I told him that the position of minister of interior was not an important issue for the Democrat Party. But we wanted 17 portfolios. Gen Prem replied that he would reconsider his position. We all heard that. I asked him what he meant by that. He said that he would submit his resignation to the king and not accept the position of prime minister because of his inability to form a government. We were shocked. We never expected the prime minister to give us an ultimatum," said Mr Phichai Rattakun, the leader of the Democrat Party, in an interview with the BANGKOK POST. In this special interview, which covered one full page plus two columns, he discussed what went on behind the scenes during the formation of this government, which has now led to splits within the Democrat Party.

Besides stating that Gen Prem put pressure on the Democrat Party concerning the issue of portfolios, Mr Phichai Rattakun also mentioned two military officers, a full general and a major general, who helped coordinate things in forming the government.

A Full General and a Major General

It cannot be denied that Gen Chawalit Yongchaiyut and Maj Gen Mongkhon Amphonphisit played an important role in the formation of this government. In his capacity as an aide to Gen Prem Tinsulanon, it seems as if Maj Gen Mongkhon Amphonphisit represented Gen Prem during the discussions on forming the government.

"The reason why Maj Gen Mongkhon served as the negotiator was that it was feared that if Prem participated personally, people would charge that he was bringing in his own people. In particular, there are many MPs in the Democrat Party who are very close to Gen Prem. If one was appointed to a position and another wasn't, that might have offended people," explained a military news

source about why Maj Gen Mongkhon had served as the representative during the negotiations on forming a government.

In the interview, Mr Phichai Rattakun said that he instructed the work team to insist that the party be given 17 portfolios, including the position of minister of 5 ministries. The party threatened to withdraw from the coalition if it wasn't given these portfolios. The work team was instructed to issue this ultimatum in negotiating with the Thai Nation Party, the Social Action Party, and the two generals. Based on what happened, the two general to whom Mr Phichai referred were undoubtedly Gen Chawalit Yongchaiyut and Maj Gen Mongkhon Amphonphisit.

The news source said that the reason why Mr Phichai did not mention the Citizens Party even though the Citizens Party is a member of the coalition was that the Citizens Party did not take part in the negotiations on forming a government. The reason why it did not take part in the bargaining was that it left everything up to Gen Prem. "It depends on what he thinks is best."

The Attitude of Big Chiu

"Actually, after he learned that the conflict within the Democrat Party had become so serious that people were trying to force Mr Phichai out of his position as party leader, Gen Chawalit tried to get people to compromise. He was afraid that this internal conflict would affect the stability of the government," said the military news source.

"It can be seen that even in the case of Minister Wira, Chiu constantly tried to resolve the matter. He finally decided to send Maj Gen Mongkhon to talk to people. That was before Minister Wira decided to resign. Chiu had a hand in that, too," said the military news source.

However, that interview by Mr Phichai Rattakun was tantamount to his playing his best card in the hope of winning the battle within the party. What he did was to expose what went on behind the scenes in forming this government. "People don't understand why Mr Phichai did that. If you want to fight, you have to fight within. You shouldn't shift the blame to others," said the military news source.

Prem Is Stupified

It wasn't only Gen Chawalit Yongchaiyut who was stupified by what Mr Phichai said in that interview. "Even Gen Prem did not understand why Mr Phichai had made this public. He made it sound as if Prem had applied pressure and issued an ultimatum. Will that improve Mr Phichai's position within the party?" said the military news source.

The day after this interview with Mr Phichai appeared in the BANGKOK POST, after the cabinet meeting, Gen Prem Tinsulanon had a rather long meeting with Mr Phichai. Mr Phichai said that they had not discussed anything special. He said that Gen Prem had not asked about the problems within the party, because he is not a member of the party. But even though he said that they did not discuss such matters, people find that difficult to believe.

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THAILAND

NEW SPECIAL WARFARE COMMANDER INTERVIEWED

Bangkok DAO SIAM in Thai 11 Oct 86 p 3

[Interview with Lt Gen Wimon Wongwanit, the commander of the Special Warfare Command; date and place not specified]

[Excerpts] Lt Gen Wimon Wongwanit was born in Phunphin District, Surat Thani Province. He attended primary school in Chaiya District and secondary school in Songkhla Province and at the Hat Yai District school. He also attended the Phutthanikhom School in Chaiya District, where he graduated from lower secondary school. In 1951 he went to Bangkok and took the test to enter the Chulachomklao Royal Military Academy [CRMA]. His classmates included Lt Gen Suchinda Khraprayun and Lt Gen Isaraphong Nunphakdi.

[Question] You were very fond of sports when you were a student, isn't that right?

[Answer] Yes. While I was a student at CRMA, I loved sports. I was a member of the national relay team. I also played on the national rugby team for 5-6 years. In track-and-field events, I shattered some of Thailand's records.

[Question] What was the first unit to which you were assigned?

[Answer] After I graduated from CRMA, I served as a sublieutenant in the infantry. I was stationed at the Infantry Center, which at that time was located in Lopburi Province (today it is located in Pranburi District, Prachuap Khiri Khan Province). After that, I was transferred to the 2d Battalion, 1st King's Guard Infantry Regiment. I stayed with that unit for 3 years and was then transferred to the Air-Borne Battalion, which was then known as the Pa Wai Battalion. I served as the leader of an operations unit of the Pa Wai Air-Borne Battalion, Lopburi. While serving with this unit, I participated in shooting contests. I was the army sharp-shooting champion for 2 years.

[Question] It's said that you are truly a professional soldier.

[Answer] I have been a soldier for many years. I am a paratrooper and have always been stationed along the border. I know myself better than anyone. I have served as a paratrooper for half my time in the military. The other half has been spent along the border. Thus, people in general know little about me. But most paratroopers and soldiers stationed along the border know me. More soldiers than politicians know me, because I am a professional soldier. I have fought side by side with fellow soldiers many times.

[Question] How do you feel about the position of commander of the 1st Division?

[Answer] I consider it a great honor to have been the commander of the 1st King's Guard Division. I never thought that a country boy like me would ever reach such a high position. I have tried to do my best to be worthy of this great honor. While serving with the 1st King's Guard Division, I frequently told my subordinates that before we do something, we must always ask ourselves whether we are doing that for the nation, monarchy, and people. If the answer is yes, then we should go ahead. But if the answer is no, that is, if we are doing it for ourself or our friends, we should stop. Thus, while serving with this unit, I feel that I have done the best job that a professional soldier can do. I think that a soldier must do his duty for the honor of his country.

[Question] How do you feel about your new position?

[Answer] As for being transferred from the 1st King's Guard Division and made commander of the Special Warfare Command, which is equivalent to an army region, that is a great honor and shows that my superiors have confidence in me. Also, I am happy about returning to the special warfare unit, which is where I started my military career. It will be nice to work side by side with paratroopers again.

[Question] What are your ideals as far as military service is concerned?

[Answer] Soldiers must be honest, and they must be loyal to the institutions. Soldiers must carry out their duties faithfully and obey their superiors. At the same time, they must take care of their subordinates to ensure that they receive the benefits due them.

[Question] To what principles of warfare do you subscribe?

[Answer] I studied in the United States and then took the army staff course in England. I studied warfare as practiced by great-power countries and poor countries. I made a comparison and studied the military of a country that had never been defeated on the battlefield. I have tried to make use of this knowledge.

[Question] What about the Gurkha soldiers of Nepal?

[Answer] Nepal is a rather poor country. England selects people for military training and assigns them to English units. They are brave mercenaries. But you can't compare them to our special forces units. Our soldiers fight for their country and for their ideals. Our special forces units are the best. The Gurkha soldiers, on the other hand, are mercenaries. Put simply, that is the profession of these Nepalese men. With such a difference in ideals, you can't make a comparison.

[Question] What do you think about the border situation?

[Answer] I don't think anything serious will happen. I am a soldier. I am responsible for defending the country based on the orders of my superiors. Every country considers its special warfare unit to be its best unit. I don't think that there will be any problem if Thailand is attacked by outside forces. People are afraid that Vietnam will attack Thailand. But I can assure you that Vietnam cannot beat us. The only thing that can destroy Thailand is internal dissension and lack of unity among the Thai people. This is what could destroy Thailand. As for other countries, I don't think they have the capabilities to do that.

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THAILAND

NEW THIRD ARMY COMMANDER, 'BIG MU,' PROFILED

Bangkok DAO SIAM in Thai 7 Sep 86 p 6

[DAO SIAM Sunday Club column: "Maj Gen Chaichana Tharichat, the 3d Army Region Commander"]

[Text] "Big Mu" has moved up from deputy 3d Army Region commander and is now the commander of the 3d Army Region. Thus, he is still in the north, where there are chronic border problems from the Golden Triangle to the Moei River. He is a member of CRMA [Chulachomklao Royal Military Academy] Class 1. He is a cavalryman and so is just as resolute as Big George and Big Wanchai. The leader, of course, is Big Chiu.

He is 56 years old. He was born on 28 September 1930. After graduating from Yohanburana School, he entered CRMA as a member of Class 1. After graduating he served as a platoon leader with the 5th Infantry Battalion. He underwent further training at Fort Knox in the United States. On his return, he was appointed commander of the 11th Tank Company at Saraburi. He attended the Army Command and General Staff College in the same class as Big Chiu and Big George. He served as the commander of the 3d Cavalry Battalion. He was then made the commander of the Armored Cavalry Battalion. He served in Vietnam. On his return he was appointed deputy chief of staff of the Cavalry Division. After that, he was made commander of the 3d Cavalry Regiment, 1st Cavalry Division. He was a member of the National Legislative Council. He was promoted to major general and appointed commander of the 2d Cavalry Division. Following that, he was made deputy commander of the 3d Army Region.

He is married to Daoruang Tharichat. They have four daughters and one son.

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THAILAND

POLICE INTERROGATIONS TERMED POOR, IMPROVEMENT PROGRAM NEEDED

Bangkok MATICHON in Thai 15 Oct 86 p 2

[Excerpt] A report from the Commissioner's Office of the Metropolitan Police informed MATICHON that last week, Police Maj Gen Wirot Pao-in, the commander of the Northern Bangkok Metropolitan Police, inspected 26 metropolitan police stations in his area of responsibility and found that interrogations are done badly. This is very worrisome. The inspectors for interrogation and the deputy inspectors recently transferred to these stations try to avoid conducting interrogations. They try to be assigned investigation work instead. They feel that commanders attach greater importance to investigation work and that such work helps enhance both their reputation and that of their commander. Besides this, they can use their powers to squeeze money from those engaged in vice. This pleases some commanders and leads to rapid promotion for these policemen.

The report stated that many police stations fail to complete the interrogation reports. Deputy inspectors who have been at the station only 3-4 months are allowed to write the interrogation reports themselves. As a result, the work is done slowly and mistakes are made. The interrogation inspectors rarely provide help or cooperate. Besides this, the chief inspectors, inspectors, and lower-ranking personnel have trouble working together. In inspecting some stations, Police Maj Gen Wirot stated that from now on, if any interrogation inspector does not carry out his duties, he may be put in charge of the inspection section, which is the work of a deputy inspector, and the deputy inspector will be put in charge of interrogation work instead.

Police Maj Gen Prayun Komankun Na Nakhon, the deputy commissioner of the metropolitan police, told MATICHON that he was put in charge of metropolitan interrogation work just recently. He said that he understands the situation of interrogation officials, because he rose through the ranks as an interrogation official. Regardless of what the situation is like, now that he has been put in charge of this work, he intends to improve things. Otherwise, younger police officers will not want to do interrogation work.

"As long as I am in charge of interrogation work, I will support making improvements, because this work has been ignored and lacked support for a long time. Conducting interrogations is the work of police officials. This work can't be ignored. If a police station ignores this work, there will be complaints. But few people realize how important this work is," said Police Maj Gen Prayun.

"To solve this problem, we must implement an Outstanding Interrogator program. We had such a program in 1985. In giving salary raises every year, attention must be given to the interrogation officials," said Police Maj Gen Prayun.

THAILAND

NAN GOVERNOR CITES POVERTY, COMMUNISTS AS MAIN WORRIES

Bangkok MATICHON in Thai 13 Oct 86 p 16

[Interview with Chaloom Phromloet, the governor of Nan Province; date and place not specified]

[Excerpt] He was born in Surat Thani Province. He completed the upper vocational course in agriculture at Mae Cho in Chiang Mai Province. He graduated from secondary school (by examination) and then earned his bachelor's degree (with Level 2 honors) in political science from Chulalongkorn University. He earned his M.A. in government from S.I.U. in the United States. He served as an expert with the Elections Division, Department of Local Administration, and as head of the Research and Evaluation Section, Local Affairs Division. After that, he served as district officer in Lat Bualuang District in Ayuthaya Province, Ranot District in Songkhla Province, and Muang District in Prachinburi Province. After returning to Bangkok, he was appointed chief of the Civil Defense Division, Ministry of Interior. He then served as the director of the Finance Division, Department of Local Administration. From 1980 to 1984 he served as deputy governor of Surat Thani Province. In 1984 he was appointed deputy governor of Chachoengsao Province. On 1 October 1985 he was appointed governor of Nan Province. He married Mrs Laksami in 1975.

[Question] What are the important problems now confronting Nan Province?

[Answer] Many of the problems confronting Nan Province are different from those confronting other provinces. First is the problem of poverty, which is the most important problem. This can be compared to a war in the province. Only 12 percent of the area here can be used to grow crops. The rest is jungle. Surveys conducted by the Office of the National Economic and Social Development Board have shown that per capita income has declined every year, and it is lowest in the 17 northern provinces. The per capita income in Nan Province is only about 2,800 baht a year. Thus, poverty has a serious effect on the development of Nan Province.

Another problem is the border problem. Our border with the LPDR runs for 277 km. Border incursions occur frequently. We have to be very careful in solving this problem. Today, the activities of foreign forces along the border are a problem. The province is using mass forces from various groups and the state officials concerned to defend the border. We have established 21 self-defense villages along the border. We plan to establish more such villages, because very good results have been achieved.

A third problem is the problem of the minority groups. There are 6 minority groups totaling approximately 50,000 people in Nan Province. There is not enough land for them to work. These minority groups continue to migrate here and there and fell trees, which is destroying the forests. In particular, tribesmen born abroad come to live in Thailand, and this creates problems concerning nationality. We have established action teams called "Sing Phukhao." These teams go and check documents before Thai citizenship is granted.

There is also a problem with communist terrorists. There are communist terrorists here. Communist terrorists have begun carrying on activities in Thung Chang, Pua, Chiang Klang, and Mae Charim districts and Santisuk Branch District. Government officials are not ignoring this. We are doing everything we can to implement Order 66/23 and carry on public relations activities to persuade these people to surrender. There are also problems concerning communications and family planning. These problems must be solved.

11943

CSO: 4207/35

THAILAND

INCREASING POVERTY, INCOME MALDISTRIBUTION SEEN CRIME CAUSE

Bangkok THAI RAT in Thai 20 Sep 86 p 5

[Text] As we all know, crime has been growing at an amazing rate. Let us look at the real cause of crimes such as bank robberies and holdups, which happen every day several times a day.

Is it because of the incompetence of our police? Our police officers are probably too busy working their way up the ladder or making extra money elsewhere.

Actually, it has been repeatedly pointed out that increasing poverty causes crime. Naturally, when one cannot find any decent way to stop starvation, one ends up doing anything, good or bad, to survive.

It does not appear that the problem will soon be resolved. On the contrary, it seems that robberies have become a part of our life and have gradually enlarged the wound of our putrified society.

And the government always emphasizes an economic resolution: we must try to increase exports and decrease imports; a heavy sales tax must be charged on luxurious goods. This resolution does not affect the rich, who have plenty of money to pay and even look more distinguished and unique when they own very expensive products.

We also try so hard to enrich our country. Today we are still poor, extremely poor; however, we have good credit and they let us borrow so many billion bahts, a lot of money.

The more we borrow the poorer we become. As a matter of fact, the rich get richer and the number of poor keeps increasing as well.

If I recall the correct statistics, and probably it has not changed very much, in 1979 the low-income class, which was about 60 percent of the population, owned 15 percent of the nation's assets, and the lower middle class, which was about 20 percent of the population also owned 15 percent. The most awful fact to confront was that the rest of the population, who owned 70 percent of the nation's assets, was the middle class, which was 20 percent of the population.

Can't we all see what is the cause of crime? Don't we realize that those extravagant robberies indicate somehow a demand for fair play by the poor on the rich?

And perhaps one day your turn will come around. Have you prepared some answers for that demand?

13323/5915

CSO: 4207/25

THAILAND

BORDER PROVINCES WANT BETTER TRADE CONDITIONS

Bangkok DAO SIAM in Thai 12 Oct 86 p 16

[Telephone Direct column: "Main Border Trade Problem Is That the Border Is Closed"]

[Text] The Thai Chamber of Commerce sent a questionnaire to the chambers of commerce in the border provinces in order to learn about the trade problems in these provinces and find solutions. The chambers of commerce in eight provinces--Chanthaburi, Trat, Chiang Mai, Chiang Rai, Kanchanaburi, Songkhla, Rayong, and Nan--returned the questionnaire.

Based on the information provided by the chambers of commerce in these eight provinces, the Thai Chamber of Commerce concluded that common problems include the closure of the border, the designation of consumer goods as strategic goods or controlled goods, the fighting along the borders, which in some areas involves minority groups, the inconvenience in crossing the border, bureaucratic delays and complex bureaucratic regulations, and currency exchange problems. In addition to these problems, each province has its own unique problems.

As for how to solve these problems, the eight provinces all suggested the following: First, the border should be opened temporarily. Additional border checkpoints should be opened. At the same time, the time period for entering and leaving should be extended from the present 0600-1600 hours daily to 3 days. Second, the stipulations on strategic goods should be relaxed. Third, urgent action should be taken to end the fighting along the border. Military forces should be stationed along the border, or military forces should conduct patrols in these areas in order to expel and reduce the influence of the minority groups in certain areas. Fourth, the government should negotiate with Laos on the trade issue. That would make crossing the border easier. An agreement should be reached with Laos on the use of boats to transport goods. This would make things safer. Talks should be held with Burma in order to ensure that traders exchange currency properly. Fifth, the customs checkpoints should reduce the red-tape in order to speed up things. Government officials should be instructed to be less strict with traders. In particular, the Ranong customs checkpoint should be designated a duty-free exit point. Finally, foreign currency exchanges should be made ahead of time in order to reduce the risks faced by traders.

11943
CSO: 4207/38

THAILAND

EDITORIAL ON RISING UPCOUNTRY UNEMPLOYMENT

Bangkok THAI RAT in Thai 25 Sep 86 p 3

[Editorial: "Labor Problems"]

[Text] According to the labor status report from the Department of Academics and Planning, Labor Division, during the first 6 months of the year 1986, the total number of all workers in the nation was 146,871. Of this amount, 69.2 percent were workers employed in the country and 30.8 percent were employed in foreign countries. The statistics indicated a decrease of 3.7 percent in the number of workers employed abroad compared to the labor statistics of the previous 6 months. The cause of this decreasing labor was related to the economic depression.

One of the interesting issues was the increasing number of people who migrated to Bangkok, which has risen to 24.6 percent, and 64.9 percent of these people came from the northeast. Likewise, 22.5 percent of the industrial work force was cut back and 36.7 percent of employment reduced during the first 6 months of this year.

The above statistics indicated increasing problems relating to the living conditions upcountry, especially in the northeast. Consequently, more people from upcountry have moved to Bangkok. Bangkok, which already has its own problems, must confront another problem concerning labor overflow from other areas. In addition, the reduction in industrial labor in Bangkok and the nearby provinces affected a lot of workers, who became unemployed.

The next issue to be confronted is the decreasing number of Thai laborers in foreign countries. In Saudi Arabia, 600,000 foreign employees will be terminated and sent home within 5 years. Some other countries in the Middle East have also developed a similar policy. In the past, labor abroad had helped tremendously to solve the unemployment problem. At this point, the hope of sending Thai laborers to foreign countries is in question.

The report from the Labor Division also compared the first quarter to the second quarter of the year. The total number of workers in the last quarter was 65,106, which was 22.5 percent fewer than in the first quarter. The terminated workers in the last quarter numbered 9,785, of whom 3,215 workers were in Bangkok and 6,570 were upcountry. And 98.6 percent of the terminated workers were those who worked in factories producing food, drink, and tobacco.

The statistics from the Labor Division showed no sign of improvement regarding unemployment. The government must work hard to solve this problem, which still seriously endangers the nation.

13323/5915

CSO: 4207/25

THAILAND

STATE REPRESSION, DECLINE OF STUDENT ACTIVISM REVIEWED

Bangkok SIAM RAT SAPDA WICHAN in Thai 12-18 Oct 86 pp 7, 8

[Unattributed report: "The 10th Anniversary of 6 October and a Different Student Image"]

[Excerpt] From Victory to Defeat

Looking back, 14 October 1973 was an historical moment in the struggle by students to topple dictators who had ruled Thailand for many years. Those events opened up a new chapter in Thai politics and saw the rise of student power. The various student movements during that period, including the movements against using Japanese goods and against allowing American military bases and soldiers to remain in Thailand, encouraged people's forces to join with them and had far-reaching effects. The influential groups whose interests were affected realized the danger that this posed and so they began opposing these forces by forming various organizations and coordinating things with state power in order to limit the growth of student power. They put out stories to destroy the image of the student movement and used violence to destroy the student movement directly. This culminated in the bloody events of 6 October 1976 and the collapse of the student movement. National Administrative Reform Council Announcement No 42 dissolved all student organizations and put an end to all student activities. This completely destroyed the atmosphere of learning about society that had arisen in the universities. After widespread appeals by students, another student association was formed in 1978. But even so, student power has remained very weak. Student activities in recent years have not succeeded in forging a united front with the people as in the past.

The Role of the Students and the Changed Image

Today, the atmosphere in the universities has returned to what it was in the past. In general, students are just like other young people who are interested in clothes and in going to discotheques and attending concerts. They are even interested in the Miss Thailand contest, which is something that students used to oppose. But today's students are again participating in such things enthusiastically. Only a small minority belong to various groups in the universities and participate in the activities of these groups.

"There are many problems and questions for the activists in the student movement regardless of whether or not they call themselves activists. One question is, What can be done to get more students to participate in the activities? What can we do to get students in general to join us?"

"Whenever we talk about the way out for society, people always become bored. Whenever we talk about our dream of building a better society, the wall of silence tells us that this is just an idle dream. No one wants to discuss or argue about the way out. Whenever we start to say something, people put on their hats and leave."

Those are excerpts from statements made by university activists that appeared in TO KHLUN, which is published by the Student Federation of Thailand.

"During the period 1973-1976, students played a role in the struggle for democracy and for justice in society. But today's students are engrossed in many unsuitable things. Very few students participate in activities aimed at benefiting society. It is very difficult to carry on any activity," said Mr Phichian Amnatworaprasoet, the former president of the Thammasat University Student Association, concerning the role played by students today. He made this statement during a debate on the topic "The 10th Anniversary of 6 October and the Truth That Has Been Distorted." This debate was held at Thammasat University on 6 October 1986. He also said that one reason why the student movement is like this today is that the environment is not supportive.

This shows that the role played by students has changed. Students are no longer participating in activities aimed at bringing about justice in society. They are more interested in luxuries and other things of little importance. This is something that should be discussed further.

11943
CSO: 4207/35

THAILAND

MOI: MUSLIM OFFICIALS MAY WEAR OWN GARB, NOT UNIFORMS

Bangkok MATICHON in Thai 11 Oct 86 pp 1, 2

[Excerpt] In his capacity as the director of the Southern Border Provinces Administrative Center, Mr Prakit Uttamot, the deputy under secretary of interior for special affairs, talked about the conflict over the issue of dress for officials in the southern provinces. He said that Gen Prachuap Suntharangkun, the minister of interior, has ordered provinces with Muslim officials to allow these officials to wear their own garb instead of uniforms while on duty. But the province must not allow anyone to wear other clothes over a uniform, because that violates regulations.

Mr Prakit said that as far as the dress of government officials is concerned, an Office of the Prime Minister regulation has already rescinded the requirement that all officials wear uniforms and so there shouldn't be any problem. When protests were made, the minister of interior ordered that investigations be made in the various provinces to determine whether people were being forced to wear uniforms. The provinces have all reported that no one has been forced to wear a uniform.

Mr Prakit said that the Thai Muslim issue is a very delicate issue. Government officials are doing their best to ensure that Thai Muslims enjoy the same rights and freedoms as Thai Buddhists. During the period 25-29 September, ambassadors from eight Muslim countries, that is, Malaysia, Indonesia, Pakistan, Bangladesh, Egypt, Brunei, Iraq, and Saudi Arabia, visited Thai Muslims in the south. They were accompanied by officials from the Ministry of Foreign Affairs and the National Security Council. The ambassadors from these countries all said that they were very pleased that Thailand has granted equal rights and freedoms to Thai Muslims. They praised the fact that many royal projects have been implemented to help Thai Muslims.

Mr Prakit said that the problem that arose was just a minor misunderstanding. When he goes to the south, he will hold a meeting with the advisors to the Southern Border Provinces Administrative Center, among which are Thai Muslims. It should be possible to reach an understanding.

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CSO: 4207/35

THAILAND

LABOR LEADER SAWAT ON PRISON, MINIMUM WAGE, ECONOMY

Bangkok LAENG KHAO in Thai 29 Sep-6 Oct 86 pp 28-30

[Interview with Sawat Lukdot, a senator and former labor leader and a suspect in the 9 September Rebellion; date and place not specified]

[Excerpts] [Question] How do you feel about the year that you spent in prison?

[Answer] In brief, my year in prison gave me a taste of what it feels like to wait for freedom. I now know the pain of waiting. Waiting is probably the same in every case. For example, we are waiting to see what is done about the poverty of the people and laborers. It is the poor people and the people who are experiencing problems who are waiting. They are waiting just like I did in prison. They are waiting anxiously. I now know what they are going through.

The government and representatives of the people have given the people reason to hope that these problems will be solved. And so the people are waiting anxiously just like I did in prison. Because people have pledged to do something to solve these problems, policies aimed at solving these problems should be implemented.

I would like to focus on one thing and that is the laborers, or the problems of the laborers. I heard about the problems of the laborers during the year that I was in prison. The problems of the laborers continue to grow worse. These problems have not been solved. Thus, now that the new government has been formed, it should give attention to the problems of the laborers. It should show greater interest in the problems facing the laborers. I hope that we will be able to help each other. On one hand, laborers must work together to exert pressure. On the other hand, as a senator, I will do everything I can to protect the interests of the people and laborers.

[Question] Did you ever think that you would become a suspect in such a serious case?

[Answer] I always thought that something like that would happen someday. In Thailand, it's easy to become a suspect, particularly when the basic problems confronting the country haven't been solved. As representatives of the poor, that puts us in opposition to the administration, because we want them to do something to alleviate the poverty of the people. Thus, as representatives of

the laborers, or people, in carrying out our duties as their representatives, we have to recognize the problems and obstacles facing us.

We know what the problems and obstacles are: 1. we may be fired, 2. we may be jailed on some charge, and 3. we may be killed. If we choose to follow this path at a time when the country hasn't solved the problems and we continue to struggle for rights and push the government to take action to solve the problems, one day one of those three things will definitely befall us. We have to be prepared for that. We have to prepare ourselves for that. We can't win all the time. One day we will suffer a defeat.

I am not sorry about taking the path that I have. I have prepared myself. I knew that something like this was bound to happen sometime. There is no way that a labor leader or leader of the people can avoid something like this as long as they continue to stand their ground and act like this.

[Question] Now that you have been released on bail, how do you plan to continue the political struggle?

[Answer] On the political front, I am now a senator. I plan on carrying out my duties as a representative of the laborers and poor people. If the government proposes something that I feel is right, I will support it. If it isn't right, I will oppose it. That is what I will do as a senator.

On the labor front, I want to say that among today's senators and MPs, there are people who represent the financiers and people who represent the poor. These people have worked to preserve their interests. As a senator who represents the laborers, I will do my best to carry out my duties. I have to do everything I can to help the laborers.

The financiers are still exploiting people. There are many factory owners in parliament. They are still exploiting the workers. As a representative of the laborers, I will continue to oppose these financiers. I will carry out my duties as a senator. After I have left the Senate, I will definitely play politics. But I haven't decided whether to stand as a candidate for MP. But I will definitely become involved in politics. I feel that to solve the problems facing the country, it is necessary to become involved in politics. I am sure that I will become involved in politics in the future.

[Question] Some people are demanding that the minimum wage be raised. What do you think about this?

[Answer] I feel that it is essential to raise the minimum wage. Today, the standard of living of workers is very low. That is because wages are low. Also, the employers claim that they may have to lay off workers if the minimum wage is raised. There are two groups of employers. One group is composed of employers who can raise the minimum wage without hurting their business. These are large employers who can handle this situation. The other group is composed of employers who operate small industries, who produce products that do not earn large profits or that are not popular, or who have only small markets. These people feel stifled. There are two sides to this. We can't lump everyone together in considering whether to raise the minimum wage. What should be

considered is what effect this would have on the two groups. I think that this must be considered very carefully.

[Question] Will you join the laborers in their demonstrations on this?

[Answer] That depends on what the laborers want. They have labor councils and labor unions. There are labor leaders. Thus, it depends on whether they want me to join them and provide help. Also, I would have to consider the things that I would be doing. Because I have to give attention to my duties as a senator, too. There are limits to what I could do. I couldn't get involved in everything. They have their own leaders. However, I have not forgotten the problems of the laborers. I have to consider things.

11943

CSO: 4207/30

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KPNLF RIFTS, ALLIANCES DESCRIBED

Bangkok THE NATION in English 21 Nov 86 pp 1, 2

[Text]

KHMER People's National Liberation Front (KPNLF) President Son Sann is due to fly here next week and take a border trip amidst signs of trouble arising from his drawn-out conflict with KP Armed Forces Commander-in-Chief Gen Sak Sutsakhan, Khmer sources told *The Nation* yesterday.

Reliable sources also quoted Foreign Minister ACM Siddhi Savetsila as recently advising Son Sann to concentrate on the struggle against the Vietnamese troops in Kampuchea, and not on "internal bickering."

Shortly before Son Sann's planned arrival, Gen Sak issued a statement dated Nov 19 seen by observers as a move to exert his leadership over the non-communist resistance armed forces.

Sak said in his statement: "In order to dispel some confusion in the minds of some people, I declare without ambiguity today, once and for all, that the Khmer People's National Liberation Front (KPNLF) has only one army under my command, and that I am the commander-in-chief of this army."

Sak also said that under his directive, the KPNLF High Command has moved away KPNLF units from certain areas close to the Thai-Kampuchean border "to be regrouped and resupplied for operations in the interior."

Informed sources said that the units belong to Chea Chhut, a pro-Son Sann base commander, and Liu Ne, who controlled the notorious "Chamcar Kor" black market on the Thai-Khmer border.

Gen Sak said the Chamcar Kor black market there had been ordered closed down and is now declared off-limits to all commanders and troops.

The crux of his statement is to demonstrate his decisive moves against human rights violations, corruption and black marketeering in the rank and file of the KPNLF military force.

In this context, the statement said that he recently sacked two battalion commanders who fled into the interior to avoid arrest after having been found involved in violations of human rights of the Khmer population under the resistance movement's control.

He also asserted that the KPNLF General Staff is now responsible for civilian affairs in the field and in order to maintain law, order and security of the Khmer population, he had ordered that travel in and out of the areas by the military and civilian personnel must have the approval of the General Staff.

Khmer sources on the border in Aranyaprathet also reported that a bulletin had been put up early this month at Site Two evacuation area for displaced Kampucheans, announcing that Im Choodeth was "field commander-in-chief" of the KP force.

Im Choodeth is defence minister for the KPNLF in the tripartite Coalition Government of Democratic Kampuchea and a member of the Executive Committee led by Son Sann.

Word has also been circulated among the Khmers that Son Sann plans to name Thach Reng as Sak's replacement. One version has it that he has already appointed Thach Reng as commander-in-chief of a France-based High Command and Col Chhim Om Yon as chief-of-staff.

But a Bangkok-based source close

to Son Sann, contacted by THE NATION last night, said he had no knowledge of the reported appointments and described as impossible the rumour that Son Sann had set up a new High Command in France.

"No possibility so far — as the question of the military leadership has not been settled," the source said.

He confirmed that Son Sann was scheduled to arrive here from Europe on Nov 26 and will take a trip to the border as soon as possible.

Asked whether Son Sann would see Gen Sak and his followers during the visit, the source said that Son Sann would be "too busy" to see them as a result of his open-ended tight schedule.

In a related development, Khmer Rouge radio broadcast yesterday that the supreme commanders of the three resistance forces huddled Tuesday and decided to cooperate more closely on the battlefield this dry season. The broadcast mentioned the top military commanders: Gen Sak, Prince Norodom Rannaridh of the Army of Nationalist Sihanoukists and Son Sann of the Khmer Rouge in the statement which was also transmitted by the joint non-communist radio station, monitored in Aranyaprathet Wednesday night.

/13046

CSO: 4200/175

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

POST-POL POT DK LEADERSHIP DISCUSSED

Bangkok BANGKOK POST in English 21 Nov 86 p 6

[Article by Jacques Bekaert in "Kampuchean Diary" column: "Pol Pot Rides into Chinese Sunset 'on a White Horse'"]

[Text] SINCE publication of the report concerning Pol Pot's health (Bangkok Post, November 19), we have received new and strong confirmation that the Khmer Rouge leader has been in the People's Republic of China for some time now. It has also been confirmed that given his bad health, it is most unlikely he will ever return to the Kampuchean battlefield.

Publicly, officials of the Party of Democratic Kampuchea still deny that the (former?) secretary of the Communist Party has left his headquarters near the Cardamoms for China, and claim he is in good health. Some units of the National Army of Democratic Kampuchea (the Khmer Rouge) have been recently told that Pol Pot was not only in good health and leading the struggle against Vietnam, but was riding a "white horse."

It has always been the position of China that Pol Pot — no matter how bad his image is in most nations and among peoples of the world — should not be removed by force. Such an action could damage the morale of Khmer troops currently fighting in Kampuchea — this has been the usual answer to any inquiry about the immediate future of Pol Pot.

Those who had the opportunity to approach Pol Pot since 1975 (or the teacher Saloth Sar before 1963) have almost always described him as a man of indisputable charisma and charm. It is probable that in many units of the NADK, the "Brother Number One" as he is

normally referred to, was and still is a real hero. Even though at least some of the soldiers must have been wondering about the accuracy of some of Pol Pot's past assertions of victories.

So, with the possible exception of some of the troops under his control and a few of his direct associates, it is doubtful that news of Pol Pot's de facto disappearance from the Kampuchean scene will have anything but a positive effect on the morale of the vast majority of the Kampucheans.

Thanks partly to Hanoi and Phnom Penh's propaganda efforts, the name Pol Pot is now synonymous with absolute evil. During the past eight years the Kampuchean people have been told again and again by Vietnam and the People's Republic of Kampuchea that Pol Pot (very few other names, with the exception of Ieng Sary and Khieu Samphan, are ever mentioned), is the man responsible for the tragic destiny of the country. Pol Pot and the "Pol Potists" take the blame for any massacre and abuse during the years 1975-1978. No mention is ever made of the Communist Party as such, nor of the fact that such a widescale policy could not have been implemented by one man alone.

Pol Pot and his friends may have "hijacked" the party with his election to the post of secretary general in 1962, as some Indochinese communists claim today. But he was not alone, and until 1977 he

received at least some kind of assistance and recognition from other countries even at a time when his ultra chauvinism — not to mention his human rights record — was already well known by his neighbours.

The "natural" elimination of Pol Pot-Saloth Sar (his real name) could force Vietnam and its ally in Phnom Penh to partly change or alter their political offensive. Pol Pot will never return to power in Phnom Penh. This is now a strict medical fact, no matter the evolution of the situation on the ground.

ELIMINATION

One serious question is, of course: how much will Pol Pot's elimination affect the Party of Democratic Kampuchea? Other important questions are: Is it true that factions exist inside the party? Are there such a people as "moderate" Khmer Rouge? And who is going to replace Brother Number One?

To none of the above questions are we able to give a straight, definite answer. For the moment the party prefers to deny the obvious, and claims that everything is fine. Like most communist parties, the DK has a deep sense of secrecy. Factional struggles, if they exist, are certainly not given any publicity.

Two leaders have been recently given some kind of public prominence. Khieu Samphan and Son Sen. The first, Khieu Samphan, is a civilian figure, a distinguished intellectual and long-time communist who is the Vice President of Democratic Kampuchea (the country) in charge of Foreign Affairs. He is probably one of the most widely-travelled of the Khmer Rouge leaders, and because of his functions, is the man most foreign countries have met and welcomed.

The second, Son Sen, was in France from 1950 till 1985. His scholarship was cancelled because of his political activism. He holds positions both in Sihanouk's party (the Sangkum Reastr Niyum) and — secretly at first — in the Communist Party of Kampuchea. Like Pol Pot, Khieu Samphan and Ieng Sary, he went underground in 1963. Prince Sihanouk told us recently he considers Son Sen one of

the best Kampuchean military experts. In 1972 he was appointed chief of the general staff of the High Command of the Cambodian People's Liberation Army. From April 1976 till 1982 he was Minister of Defence for Democratic Kampuchea.

In July 1982 he became a DK member of the coordination committee for National Defence of the Coalition Government.

Already secretary general of the "Supreme Committee" of the NADK, he was appointed chairman and commander-in-chief of the NADK after Pol Pot's retirement in August 1985.

As such, he now has frequent meetings with his nationalist counterparts. The most recent of such encounters took place on November 18, when Son Sen met Prince Norodom Ranariddh and General Sak Sutsakhan.

Son Sen was a member of the Politburo of the Communist Party of Kampuchea. The party was officially dissolved in December 1981. It is hard, if not impossible, to imagine such an important, crucial political structure just vanishing by the virtue of a radio announcement. Khieu Samphan, according to at least one reliable source, along with military commander (and present under secretary-general of the NADK) Ke Pauk, was an alternate member of the same Politburo.

Obviously Son Sen and Khieu Samphan are no figurehead. They are said to enjoy the support of Peking. Son Sen, an important factor, controls a few divisions.

DISCREET

But so does Ta Mok (the vice chairman and chief of the General Staff of the NADK); so does Ieng Sary (to the best of our knowledge nothing has been heard of him since August 1985); so did Pol Pot. And so does Nuon Chea.

Nuon Chea, also known as Long Buth, is probably one of the most discreet of an already very discreet group of Khmer communists. In his book "How Pol Pot Came to Power" (an invaluable source of information on Khmer communism), Ben Kiernan writes that Nuon Chea studied in Bangkok at Thammasat

University in the early 40's, working part time at the Thai Ministry of Foreign Affairs! He soon joined the CPT and a few years later, when he went back to Battambang, was transferred to the then Communist Party of Indochina. In 1960 he was elected deputy secretary-general of the new Communist Party of Kampuchea, a position he probably still holds today.

In April 1976, a year after the Khmer Rouge victory, Nuon Chea was appointed chairman of the standing committee of the People's Representative Assembly. He was confirmed in this position in December 1979 and as such, travelled in 1981 to China to attend an Asian parliamentary conference on population!

Said to be in his mid-sixties, Nuon Chea has the reputation of a political hardliner. It seems he has always been close to Pol Pot. He too may consider it is time he stop being Number Two.

/13046

CSO: 4200/175

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

RESISTANCE BANDITRY IN THAILAND

Bangkok THE NATION in English 28 Oct 86 p 16

[Article by Mayuree Ratanawanathip]

[Excerpts]

MOST people may flatly turn down an offer for a plot of land in a village situated only a kilometre from the Thai-Kampuchean border simply because they do not want to be caught in the fightings along the border.

But for 200 villagers living in such kind of village as Ban Khao Din, Klong Had Sub-district of Prachin Buri, it seems to be their golden opportunity since most of them have, for years, illegally encroached the reserved forest for farming and thus the ownership of a plot of land is always their ultimate dream.

A soldier from an army unit assigned to guard the village said villagers in the area controlled by a Khmer resistance faction frequently cross into Thai territory to find food.

"They always steal corn from the farmlands next to the village and this makes our villagers angry. We try in vain to tell Khmer resistance officer to stop their people," he said.

/13046
CSJ: 4200/175

MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

GUIDELINES FOR ECONOMIC CONSTRUCTION BY ARMY INDICATED

Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Sep 86 p 3

[Article by Major General Le Khoa of the Finance Department of the Ministry of National Defense: "The Army in Economic Construction"]

[Text] Though the CPV Central Committee has already issued a resolution on economic construction by the army and especially despite the fact that ever since the liberation of South Vietnam, our entire country has been reunified and been advancing to socialism, opinions still differ as to whether the army should have engaged in economic construction though fighting is its principal mission, whether its economic activities have been effective, what has been done by it, and how it has tackled the economic task. Many similar questions have been raised but have not yet been answered. Consequently, in the past years, the economic task of the army was never stabilized, its scale and method were frequently changed, and whenever it was placed in the right track, it was handed over to various economic sectors. Financially speaking, doing so amounted to another waste. In fact, the economic activities of the army were considered marginal and many of its tasks were excluded from the overall state plan and received no appropriate investment. A large volume of work was sometimes assigned to the army but when the necessary organizations were created to carry it out, they received capital and equipment. If so, how could these activities have any effect?

Such a concept of economic construction by the army is wrong theoretically and practically. In some socialist countries which have a developed economy and an army whose numerical strength is not great as compared with their population, many army units have participated in economic construction on a relatively large scale and with high effectiveness. Because of its special strategic position and though it is enjoying peace, our country has to maintain a relatively large [armed] force in comparison with its population and with the state-operated economic forces. Our army is not only large numerically. In view of its duty to build up into a regular and modern army despite the low industrial level of our country, our army has received equipment from the modern industry of the fraternal countries. We have also a corps of professional officers and soldiers and learned workers and personnel all of whom can meet the high and varied technical standards and requirements and can carry out activities in the air, on the sea, and in all regions of the fatherland territory. Our army has broad international

relationships. It possesses a certain amount of equipment which is fit for production, repair, and research purposes but is usually not used to full capacity in peacetime. Our army units, divisions, and regiments are organized and highly disciplined forces which are ready to go anywhere to perform any mission. Indeed, many army units have accepted economic tasks in remote and insecure areas without receiving grain and food supplies at the outset. On the other hand, the law on military obligation has mustered young and strong laborers who have the essential technical knowledge and who work in all social sectors in peacetime so that it is possible to fix a definite period for their military training. If provided with enough equipment, material, and capital, our armed forces will be able to perform successfully various technical tasks--such as industrial production (machines, chemicals, electronics, and repair of seagoing ships), bridge and road construction, exploitation of timber at state forests, building of state farms in difficult regions, exploitation of raw materials to make paper and building materials, sea fishing, and production of export goods. Despite our army's ability to repair large seagoing ships for foreign countries, we have spent millions of dollars on the repair abroad of our own ships which are used for economic purposes and are smaller. Though our army has produced a certain amount of electronic components for friendly countries, we have used foreign currency to import similar items. Though the superabundant abilities of our army are diverse and remain untapped, we have made continuous investments to build new industrial installations. Is it advisable to do so? It appears that the potentials and capabilities of our army are immense but have not yet been brought into play. Financially speaking, I find that this is a fairly great waste to the detriment of our society. This issue was at times perceived by some leading comrades but was not thoroughly examined just because of the existence of the present mechanism and because the state organs did not take any uniform measure in this regard.

So how must the question of economic construction by the army be put and solved?

In my opinion, it must be raised and examined more thoroughly at the coming party congress.

The thinking method and concept about the army must be changed. Apart from its combat mission, the army must be considered a huge force fit for economic tasks as well as one of the economic strategic forces of the whole society. If endowed with an appropriate mechanism, this force will work effectively with high productivity and quality, and because it is part of the aggregate social production forces, it must neither be ignored in planning nor randomly entrusted with any task whenever the occasion arises.

The mechanism must be updated after taking a sweeping glance at the economy-national defense and national defense-economy strategies in order to formulate long-term projects and plans. This will serve as a basis for the State Planning Commission and the Ministry of National Defense to draw up short- and long-term economic construction plans for the army. These plans must be incorporated in the gross social output plan and the principal overall

project, and be endowed with capital investments and uniform equipment and materials just as all other forces. A suitable working method must be devised for the armed forces. In carrying out plans, stable and relatively lengthy tasks must be assigned to the army.

On its part, the army must update both its thinking pattern and economic management apparatus. It must harmoniously apply both the economic law and the law of war. It must not use its combat characteristics as a pretext to disregard economic policies, regulations, methods, and levers. Army units engaged in economic construction must have appropriate organizations to perform production with high effectiveness, productivity, and quality in peacetime. Because each of them may be entrusted with a different task, they must naturally spend different lengths of time and take different measures to carry out military training in order to be prepared and ready to shift the gears should war break out. To help build the economy, the army must use the work force made up by soldiers to produce more wealth for the society instead of buying the products of other labor forces and then reselling them to derive a profit from price differentials, which will merely create more market disturbances. Commanders and assistant organs must be versed in economic accounting. A unit was recently assigned an economic construction task and given an initial capital of about 200 million dong. This unit agreed to procure another 40 million dong for itself by drawing this sum from the yearly national defense budget but without incorporating it in the production cost; at the same time, this unit considered as its own capital the income derived from the sale of merchandise. Meanwhile, many other units which were specialized in production suffered losses and had to receive compensations by the state for many years. This method of calculation is incompatible with the economic development method. In building the economy, the tendency to take into account only the production value and the sources of goods which can be simultaneously produced by oneself and acquired from other producers must be overcome, and so must the failure to calculate the effect of production, and so on. The method of directing combat activities must not be used to guide economic construction. Unlike the management of combat troops, economic management must harmoniously implement three types of measures of which economic measures must be considered principal. While using economic incentives as an effective tool, it is necessary to intensify education and coordinate them with stern administrative measures in order to prevent the pursuit of local interests, which will give rise to negative practices in the society. In particular, units whose principal mission is to carry out training and to stand ready to fight and which participate in economic construction must strive for high economic effectiveness but must not allow economic interests to influence their principal mission. For them, the managers to be taken and the targets to be achieved must not be identical with those pertaining to units which are specialized in economic construction. In exercising command, great dynamism and acumen must be displayed to achieve high effectiveness in both the military mission and the economic construction task. Units which participate in economic construction either in a specialized or nonspecialized manner must try to defray all expenditures and make a profit; instead of using the national defense budget to make up for losses, these units must really and notably contribute to socioeconomic

development and must simultaneously and continuously increase their own budgets and material stocks for their own benefit and that of national defense in general at a time when difficulties are preventing the state from fully meeting the essential needs of construction and the requirement to stabilize the life of soldiers. Because the scale of economic construction is being enlarged continuously, the sources of income will become ever more important. It is necessary to overcome the habit of collecting working wages and appropriating them to one's own fund and capital, and also to eliminate the practice of making expenses and earning incomes without following the set plan norms, and of making expenses contrary to the promulgated uniform systems and management principles.

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MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

APPLICATION OF WAR EXPERIENCES TO TRAINING DISCUSSED

Hanoi QUAN DOI NHAN DAN in Vietnamese 24 Sep 86 p 2

[Article by Colonel General Hoang Minh Thao: "Applying War Experiences to Enhance Quality of Training"]

[Text] Enhancing the quality of the training and advanced training of high-ranking military cadres is the objective of continuous efforts of the Advanced Military Academy. The quality of training offered by this military school is due to many factors--such as the program and theme of training, the quality of synopses and lectures, the standard of knowledge, practicing abilities, and pedagogical skill of the corps of teachers, the standard of knowledge of students and their mental state and learning method, and the way to ensure proper training...

Applying war experiences to training plays an important role in enhancing the quality of these factors, thereby building up the capabilities of military commanding cadres during their training at the school. The Advanced Military Academy is the place to train and improve commanding and staff cadres in charge of military campaigns and strategies. These cadres will assume great responsibilities for the construction and defense of the socialist fatherland. This mission requires that these cadres possess a stable political standpoint, a profound and extensive knowledge of military science, and the ability to command troops and to apply the military art skillfully. To train and improve commanding and staff cadres for the military campaign and strategy level is to form cadres endowed mainly with a deep and broad military knowledge and with the ability to organize actual military operations. To be able to apply the military art, cadres are required to possess great creativeness. Along with a firm grasp of laws, basic concepts, and principles--the treasure-house of past experiences in conducting wars in leading and commanding combat activities has contributed to instilling great creativeness in cadres. V. I. Lenin once said that "one can become a communist only by enriching one's memory with all intellectual treasures amassed by mankind."

War experiences--our military heritage--will help us to understand modern events more clearly, to improve our military knowledge and skill in struggling against the enemy, and to apply war experiences by firmly grasping and strictly adhering to the proletarian military viewpoint of Marxism-Leninism. Only by doing so can we avoid stumbling on the empirical road, can we refrain

from feeling satisfied with the experiences gained and from disregarding theories, and can we guard against the failure to improve our standard of knowledge of military science and art, and of other branches of this science. War experiences are the recapitulation of all military knowledges which have been seriously tested. No matter whether they are drawn from success or failure, experiences are very precious because they have been paid with bloodshed. Experiences must be generalized and made into laws and principles because only then will they acquire great persuasiveness and be able to show the right road and direction. Without a knowledge of war experiences, commanders cannot improve and enrich their level of military art.

The modern military art and fighting methods always inherit experiences from history. War movements are effected according to laws. Both past and future wars have evolved and will evolve according to universal laws. War developments take place in thousands of forms and shades with great versatility. The training of commanders must associate modern military knowledge with historic experiences. These two factors must be closely and uniformly combined while learning and improving one's modern military knowledge, which must be considered fundamental. Commanders at the campaign and strategy level are required to have a deep understanding of the history of ancient and modern wars throughout the world. For example, concerning such tricks as diversionary and deceptive tactics, maneuvering the enemy, mastering the element of surprise, and taking the initiative, both the old and modern principles and arts have similar basic points, except for organization and method which may differ because the means used have differed. We can learn from the very clever arts and schemes of talented generals throughout history, as well as from their art of mastering and creating circumstances and opportunities. The organization of armed forces made up of many types of troops, the combination of guerrilla warfare with conventional war, the building of base and rear areas and of battle positions for the people's war, and so on, are all experiences drawn from the protracted, hard, and victorious struggle of our nation.

War experiences, especially those drawn from the anti-French and anti-U.S. wars, are a basic topic which has been included in the training curriculum and given special attention by the academy. This has been shown in the selection and establishment of a corps of teachers and in the continuous supplementation and qualitative improvement of documents for training and for research on military science. Though the recapitulation of experiences drawn from these two wars of resistance is still under way and though theoretical and principled lessons are still being drawn, the prompt condensation and teaching of these experiences has proven effective and highly persuasive and has helped students quickly to assimilate new concepts of the modern military science. Because these experiences have only reached the testimonial level, references and inspirations must be considered the main tasks, however. The key subjects taught by the academy to students are basic theoretical concepts and include topics designed to improve practicing abilities; these concepts and topics have been generalized to some extent (and deal with military policies and strategies, the art of launching campaigns and using tactics, and with practice exercises, rehearsals, debates, and so on). On the other hand, the

academy has paid great attention to organizing practice tours for students and to having them write essays and graduation theses. This measure aims at improving the quality of their training, for practical facts will show whether the war experiences and theories learned can be applied and if so, to what extent and from what angle, or whether they can no longer be applied to the present realities of war. Through practical activities in commanding and leading combat units to achieve combat readiness and to undergo training, students will be able to demonstrate more clearly their ability to combine theory with practice when doing practice exercises and rehearsals and when writing essays and graduation theses. It is necessary to deduce theories from actual war experiences and to apply fundamental theories to the actual task of commanding combat and training activities. Because of the existence of a definite interval between the school, the army units, and the battlefield, both teachers and students have the duty to shorten this distance. These are the dialectical and logical cause-and-effect relationships which constantly exist throughout the evolution of things and wars. The realities of war have demonstrated that it is impossible to gain valuable experiences by shedding blood only in a short period to be reckoned by days and months but that these experiences can only be drawn from many wars lasting many decades. Such experiences must be recapitulated, appreciated, and applied thoroughly and flexibly. All things move and develop constantly and so does war. While reviewing old concepts, we must learn new ones. While learning from war experiences, we must study modern military concepts. Only by doing so can we meet the requirements of the present war realities. Because the object of combat operations will be new, because the enemy will be stronger numerically and have more material equipment, and because modern combat circumstances require the coordination of various armed services on a larger and more complex scale, it will not be easy but more difficult to command joint military operations. Overall preparations for a modern war require time and must be made very urgently and quickly so that training must be very meticulous. Owing to the experiences gained in resisting the French and Americans, today we are in a more favorable condition to conduct combat activities. Without these experiences, we would have met with many difficulties and become perplexed when launching military operations. This is because only war experiences can show how military methods, principles, and laws have acted in the realities of war. The more war experiences we have, the better we can apply the military art.

Because today the object of military operations is new and has different characteristics, it is necessary to know it deeply and completely, which requires a period of practice to draw experiences. Compared with the liberation wars, the requirements of the war to defend the fatherland will be much higher. It is necessary to selectively assimilate and thoroughly exploit the experiences gained in the anti-French and anti-U.S. wars--two wars on the largest and most modern scale ever waged in Vietnam--and, at the same time, to inherit our national tradition of resistance to foreign aggressors. On the other hand, we must selectively assimilate and creatively apply progressive experiences of the Soviet military science to the specific circumstances in Vietnam with its peculiar terrain and new object of combat activities. Only

by doing so can we enhance training quality and enable students to improve their standard of knowledge of military art.

The academy has also paid great attention to teaching modern military concepts while continuously keeping abreast of such problems as fully understanding the object of combat activities, collecting information on the military science developed by the Soviet Union, the enemy, and other countries in the world, and gathering information on discoveries in the field of military science and on improvements in equipment, weapons, and technology.

The basic subjects which the school teaches the students and requires them to grasp firmly include two methods of conducting war, three types of troops, and a thorough understanding of the offensive spirit. The basic subjects to be adhered to in conducting combat activities include ruses, battle positions, organization and use of various forces, fighting methods of the armed forces, creation and development of circumstances, and creation and use of opportunities. At the same time, it is necessary thoroughly to understand the basic principles of the art of conducting military operations; these principles govern the concentration of forces, attack and annihilation of the enemy, initiatives, surprise attacks, and so on. In carrying out combat activities in wartime, some principles of the military art must be frequently applied concerning the following problems:

-- The problem of using ruses and diversionary tactics to deceive the enemy, to move him about in accordance with our wishes, and to create combat positions favorable to us.

-- The problem of creating battle positions to attack the enemy on the entire structure of his combat formations, both in front of them and in their rear, and to do so by using the strength of our three types of troops.

-- The problem of organizing, using, and turning three types of troops into campaigning and strategic groups and into vigorous punches to deal key blows to shake up and change the situation.

-- The problem of applying the fighting method which consists in encircling and splitting up the enemy in conjunction with launching sudden attacks to break up his mutual support position; the problem of choosing the right target and object of combat activities and of attacking strategic points; and the problem of wisely using reserve units.

-- The problem of creating and directing circumstances in order to provide opportunities.

-- The problem of creating and grasping opportunities in order to deal the destructive and decisive blow to win victory.

Based on a firm grasp of the above-mentioned principled and theoretical problems about the military art, it is necessary to apply them in a flexible and creative manner to practice exercises and maneuvers in order to improve

the standard of knowledge of students and to increase their ability to put it into practice. However, to take a firm and realistic hold of these concepts, a knowledge and understanding of the Marxist-Leninist methodology are necessary.

The Marxist-Leninist methodology will help cadres to perceive the nature of things and their evolution law, to notice the specific and different conditions of development of this law, and hence to understand this law and the relevant principles in a flexible manner and with a creative spirit while directing the development of things without displaying automatism and dogmatism, and also to cope with extremely complex and diverse war circumstances in order to win victory.

Any student who ponders painstakingly and independently, who possesses a flair for logic and art, and who carefully trains in and practices command will, on return to his own unit, be fully able to direct training and to ensure combat readiness and victory.

The greatest demand placed on the substance and quality of training is to enable students to analyze the course of development of the military art, to recapitulate progressive experiences in executing tasks, to draw correct conclusions, and creatively to apply war experiences and practical experiences in task execution to their own activities. Graduate students must clearly understand and flexibly use various armed services and branches in coordinated military operations in order to meet the ever higher requirements of modern warfare. Therefore, the yardstick to evaluate training quality is the requirements of practical activities among the realities of construction and combat of which combat realities are the highest yardstick. President Ho Chi Minh said: "Uniformity of theory and practice is a fundamental principle of Marxism-Leninism. If not guided by theory, practice will be blindfold. If not related to practice, theory will become empty and useless."

To ensure fulfillment of the combat mission and to win victory in whatever war, there must be a correct and scientific outlook on and perception of the relationships between school training and practical activities in army units, between knowledge and practicing abilities, and between theory and practical experiences.

To endow students with practical abilities, the conduct of practice exercises in the form of command-staff rehearsals is of notable significance. The realities of war have demonstrated that circumstances change constantly and that assessment of the overall situation is very complex and consequently must be meticulously made to arrive at a rational conclusion. Therefore, the authors of a rehearsal plan must have a high degree of realism and a rich experience of war, which is the required condition for them to devise many complex situations and to find their solution.

It ensues that in addition to using rehearsals as a scientific basis to demonstrate modern military principles, students need to study war experiences

to acquire the scientific methodology necessary for applying the law of war to different war conditions in a vivid, versatile, and shrewd manner.

Recent combat experiences have demonstrated that after deciding to launch a (combat) campaign, all means must be used to disseminate it rapidly among all units. The fact that the commander goes down to the low-echelon units and, if conditions permit, organizes their coordinated operations will solve this problem [of launching the campaign] and simultaneously ensure promptitude and secrecy. It is necessary to have part of the real troops participate in command-staff rehearsals and to train cadres to make decisions, to take an encompassing glance at all types of forces, and to organize all means and forces in a campaign (battle) position suitable to the modern method of joint operations by all armed branches and services.

The application of war experiences aims at confirming and enriching the basic principles of the military art. At the same time, these experiences will serve as an additional basis and data to set forth campaign indexes and battle criteria and will require us to make the necessary provisions for the characteristics of a future war which will undergo fundamental changes in its nature. Therefore, in addition to the training theme and program, the task of researching the military science and improving the standard of knowledge of cadres and teachers is more urgent than ever.

V. I. Lenin paid great attention to building the Red Army with workers and peasants. Stressing the need to apply war experiences to the training of troops, he wrote: "We hope that the rich experiences drawn by the Red Army and its leaders from the war will today help us continuously to enhance the quality of the Red Army."

For us, the rich experiences drawn from the recent wars have become great lessons enabling us to build our armed forces and to strengthen our national defense in order to meet the present revolutionary requirements. Regarding this common mission, the army academy and schools must assume the heavy duty to train a corps of cadres--that is, military commanders having sufficient abilities, skills, and ethics to play a very great role during the course of war and regarding its conclusion.

It appears from the results of training in the past years that the formulated program and theme are basically appropriate and have ensured the attainment of training objectives. At the same time, actual facts have also pointed to the continuous need to supplement and perfect the training program, theme, and method in accordance with the ever developing realities of an eventual war.

On the basis of these principled experiences and by applying them to the new historic conditions under our party leadership, the substance of training will be further developed qualitatively. The cadres, teachers, and students in the academy are eagerly doing research and better applying war experiences to the training and research tasks.

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MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

SMUGGLING, THEFT OF STATE PROPERTY REPORTED

Hanoi DOC LAP in Vietnamese 3 Sep 86 p 4

[Article by T.T.X.: "Oppose Smuggling and Illegal Activities"]

[Text] Recently, the economic protection agencies in Ho Chi Minh City have discovered and prosecuted many cases of smuggling and other illegal activities of a serious nature.

Contraband goods such as gold, precious stones, Aquilaria agallocha, and gasoline and oil are usually smuggled across the border using sea, rail, and land routes. The naval, public security, and market management forces have coordinated things very closely to maintain the laws. As a result, many major criminals have been arrested, and millions of dong have been recovered for the state.

Many illegal activities take place in the collective economic organizations. The main reason for this is the loose management of the agencies responsible. When they inspected three cooperative business stalls subordinate to the metal products and electrical machinery sector in precincts 1 and 3, the economic security forces discovered that many of the goods were being sold to avoid paying taxes. The goods included 3 automobiles, 2 Hondas, 42 sewing machines, 20 refrigerators, and 6 washing machines. At the Tran Chanh Chieu rice market in Precinct 5, in 1 week the market management forces solved 62 cases involving dishonest merchants and employees at cooperative business stores working together to steal rice. Many cases of disorderly buying and selling in order to take advantage of the price differential between the cooperative business stores and a number of integrated commercial corporations have been prosecuted promptly. Recently, the economic security forces arrested a household head and cooperation team in Precinct 6. They were making student notebooks for the Southern Vietnam Sundry Goods Corporation, Ministry of Internal Trade. They had contracted to make 96-page notebooks. But the notebooks had only 80 pages. As a result, they were able to sell 24,000 notebooks on the outside. As a result of the arrests mentioned above, the city's sector for transforming private industry and commerce has begun cooperating closely with the corporations and commodity sectors to solidify and reorganize the activities of the cooperative business stores. In the

commercial business sector, the number of cooperative business stores has been reduced from 310 to 240. Households that have not carried out the stipulations of the state correctly have had their businesses closed.

In the past period, the sectors responsible in the city have prosecuted many cases involving the theft of socialist property in a number of state agencies. After workers exposed what was happening, public security forces inspected the gasoline storehouse of the Southern Vietnam River Transport Corporation and discovered a shortage of 44,000 liters of engine oil, 13,000 liters of lubricating oil, and 4,000 liters of gasoline. In cooperation with dishonest merchants, the warehouse custodian at the Technical Workers School, Municipal Communications and Transportation Service, stole 17,600 liters of engine oil, more than 1,000 liters of lubricating oil, and 286 liters of gasoline. The above cases have been turned over to the legal agencies for prosecution. After making self-criticism and criticism, many agencies established control teams to investigate property losses discovered by party members and the masses.

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MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

TAX EVASION, ILLEGAL EXPENDITURES AT INSTITUTE REVEALED

Hanoi DOC LAP in Vietnamese 3 Sep 86 p 7

[Article by Nguyen Dinh, Ho Chi Minh City: "An Institute Subordinate to the Ministry of Building Has Engaged in Many Negative Activities, Including Falsely Reporting 28 Million Dong To Avoid Paying Taxes, Establishing 12 Black Funds, and Spending 6 Million Dong Illegally"]

[Text] The Q Institute, Ministry of Building, in Ho Chi Minh City has made a number of contributions during the past years. However, under the leadership of Institute Director L, the institute has begun doing things at its own convenience and committed two serious violations, which the Ministry of Building has confirmed.

The institute has filed false reports and concealed output (the full amount produced was not reported to the ministry) in order to avoid paying taxes.

The institute has established 12 black funds for friends of the director of the institute to use as they wish.

Here, the monthly incomes of those who are in cahoots with the director of the institute are 25 times higher than those of the engineers working at the institute. (The institute employs hundreds of engineers, intellectuals from both the north and the south). In 1984, the actual value of project expenditures was 41 million dong, but the institute reported project expenditures of only 13 million dong in order to avoid having to pay state income taxes. (That figure of 41 million dong was obtained through the close control of the Statistics Department.) At the end of 1984, Engineer H, the head of the planning bureau (and a member of the institute's CPV committee), proposed that Institute Director L make an accurate report to the ministry and inform it that the gross value of project expenditures in 1984 was 41 million dong. But Director L refused (a note written by Director L denies permission to send an accurate report to the ministry). That is when the struggle between those who carried out their duties correctly and those who didn't first began. Naturally, Director L attacked Engineer H. Over the course of several years, Engineer H sent more than 100 petitions to local and central agencies. But because of having a protective "umbrella," Institute Director L was not bothered. Engineer H, on the other hand, continued to come under heavy attack. For some reason, the ministry took the side of Director L and decided to

remove Engineer H from his position as head of the planning bureau. The wife of Engineer H, Engineer C, has been attacked by the director of the institute, too.

What about the institute's black funds? The Ministry of Building's auditing team, composed of Dinh Van Ky, team leader, and two men from the Department of State Revenue, Ministry of Finance, conducted an audit during the period 12 May 1985 to 11 June 1985 and concluded: "The organization has violated the principles of planned management and financial and cash management. The director allowed 12 black funds to be established. Illegal expenditures during 1983 and 1984 totaled almost 6 million dong. The director purchased an automobile using money from the black funds. In particular, while the husband served as director, the wife maintained the black funds for 3 years."

Besides the two major violations discussed above, many other things were done, too. The institute increased building labor costs for construction contractors from 2.72 to 4.72 (why?) and sold strategic materials to private individuals (1 ton of ga-doan oil, 6 tons of building steel, automobile tires, and 6 tons of accumulated project files). It made and sold ice to obtain money to set up black funds--until the public security forces found out and forced it to stop doing this. Decisions were issued to allow unemployed relatives to come work at the organization. People were secretly helped to fulfill their military obligation (some engineers were sent to fulfill their obligation, but unemployed people were kept at the organization). People who did not side with the director of the institute were fired. A cadre who was in cahoots with the director took property belonging to the institute for his own personal use, but that was ignored.

Although such things have taken place, Institute Director L has received only a minor reprimand. A false report was filed on 1984 project expenditures. Twelve black funds were established. Cadres were attacked wrongfully (such as Engineer H, the head of the planning bureau). The State Revenue Department demanded the return of almost 6 million dong in illegal expenditures, but this money has not been returned. And there are many other things that have not yet been brought to light. But none of these matters has been handled fairly or seriously. This has caused a public uproar in Ho Chi Minh City. People hope that the negative phenomena in this institute will be eliminated and that a work style based on the new management mechanism will be developed there. That is an urgent demand of the law and of the intellectual and manual laborers at this institute and in this city.

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MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

COURT SECTOR REVIEWS MISTAKES IN 1985

Hanoi LUAT HOC in Vietnamese No 1, Jan-Mar 86 pp 75, 76

[Article by Ngo Cuong: "The Conference To Review the Work of the Court Sector in 1985"]

[Text] In January 1986, the court sector held a conference to review its work in 1985 and gain a thorough understanding of its guidelines and tasks for 1986.

The conferees unanimously observed: in 1985, the courts, generally speaking, applied the law and the line on their practical trial work. However, there are still some problems that must be quickly resolved:

The most important of these problems involves the line to be followed on the trial of crimes against national security. Some courts have placed excessive emphasis on the political requirements of the locality, as a result of which the death penalty has been unnecessarily imposed in some cases upon the heads of criminal organizations. For example, in a case involving the crime of "plotting to overthrow the administration," one group of criminals did nothing more to secretly organize a counter-revolutionary organization than make flags, adopt reactionary slogans and recruit persons for the organization. They had yet to engage in any specific acts of sabotage. Thus, it was inappropriate to impose the death penalty upon the leader.

In the trial of crimes against socialist property, due to the lack of a uniform understanding among the various levels of the court concerning which crimes are serious and which are especially serious, due to the failure to accurately determine the value of damage to socialist property and so forth, errors were made in trials and sentences were declared that were either too heavy or too light. Generally speaking, in the trials of crimes of this type, sentences that were too light constituted a higher percentage of the total number of sentences handed down than sentences that were too heavy.

In 1985, there were increases over previous years in the crimes of speculation, blackmarketing and the manufacture and sale of fake goods. Generally speaking, the courts tried cases involving these crimes relatively correctly. However, in many cases, due to the requirement that the court sessions held be model court sessions, the penalty declared was too severe or

trivial matters that actually only had to be dealt with administratively were also prosecuted. Due to the lack of a unified approach in determining how much contraband constitutes a large amount so that the nature and degree of seriousness of cases could be distinguished, some penalties were too heavy or too light.

As regards murder trials, there was also a failure in some cases to examine all the details of a case (details such as the victim committed a crime and so forth were usually ignored) and emphasis was only placed upon the consequence, namely, the death of a person. As a result, the defendant was incorrectly given the death penalty. Conversely, in other cases, emphasis was placed upon the fact that the victim did not die and other details were ignored and not carefully examined, as a result of which a light sentence was given to a defendant who should have been given the death penalty.

In trials of murder as a result of exceeding the legitimate bounds of self-defense, mistakes were still made between ordinary murderers and persons who killed someone in the performance of their duty or between killing a person in self-defense and exceeding the legitimate bounds of self-defense. However, this is a very difficult and complex type of case, one which we must continue to review so that experience can be gained.

Representatives of the local courts spoke at the conference. Their speeches focused on the following matters:

1) In each specific type of case (crimes against national security, crimes against socialist property...), on the basis of which standards should the courts apply the death penalty to the defendant, especially defendants between the ages of 18 and 20, defendants who are women and elderly defendants (and how is an elderly person defined in the legal sense)?

2) In cases of speculation, blackmarketing, the manufacture and sale of fake goods...which cases should be dealt with administratively and which should be the subject of criminal prosecution? And, with regard to the value of contraband, what is serious and what is especially serious?

3) With respect to the crime of intentionally causing bodily injury, which cases should be dealt with administratively and which should be the subject of criminal prosecution? Which degree of bodily injury is considered especially serious? How should cases in which both parties attack each other with a knife and both are injured be prosecuted? Many complex questions remain to be answered concerning the verification of bodily injury. It is especially difficult to distinguish between intentionally causing bodily injury (which leads to a person's death) and murder (when bodily injury is intentionally caused but murder is an indirect result).

4) At present, the courts are not settling very many cases involving traffic accidents due to the difficulties and complications involved in assessing the extent of the fault of each party, consequently, it is very difficult to resolve cases of this type.

5) In cases in which the criminal is a state cadre, how are "service and crime" to be weighed in order to correctly determine the penalty to be imposed?

The conferees unanimously agreed that all the complex questions presented above must be the subject of special, separate seminars in order to guide the courts in trials. This demands that we continue to conduct detailed research and gain experience.

The conferees also discussed a number of other matters concerning civil law, marriage and the family, labor, the enforcement of sentences and the building of the sector.

Lastly, the conferees discussed the plan for 1986 and measures for completing it well.

7809

CSO: 4209/131

MILITARY AFFAIRS AND PUBLIC SECURITY

VIETNAM

TERMINOLOGY OF CRIMINAL CODE EXPLAINED

Hanoi LUAT HOC in Vietnamese No 1, Jan-Mar 86 pp 77, 78

[Article: "Criminal Law Terminology"]

[Text] 1. The Penalty System

The penalty system is the various types of penalties that are defined by the state in criminal law and arranged in a certain order of priority (from light to heavy or vice versa) depending upon the seriousness of each penalty. The penalties contained within our country's Code of Criminal Law are arranged in order from light to heavy. The penalty system set forth within our country's Code of Criminal Law (Article 21) incorporates and develops upon the penalties that have been in effect since the August Revolution and are based on the fundamental principles of socialist criminal law.

The characteristic of the penalty system of our country's criminal law is a diversity that permits the principle of a personalized penalty to be applied in each case. Our country's penalty system reflects profound humanism. There are no penalties that have the purpose of terrorizing, retaliating against, disgracing, physically maltreating or trampling upon the dignity of a person. The penalty system in criminal law and socialism is not fixed. The penalties and their contents can be changed to be consistent with the situation surrounding the struggle to prevent and fight crime during the specific periods of development of society.

2. Primary Penalties

A primary penalty is the penalty that is applied for a crime and is declared independently. The court can only declare one primary penalty for each crime.

According to the criminal code of Vietnam, penalties such as a warning, a fine, reeducation without detention in a disciplinary unit of the army, a prison sentence of a specific number of years, life in prison and the death penalty, are primary penalties.

3. Supplemental Penalties

A supplemental penalty is a penalty that is added to the primary penalty and is not declared independently, but can only be appended to a primary penalty. Depending upon the specifics of the case, the court can append to the primary penalty one or a few supplemental penalties. If the penalty applied is a primary penalty, a supplemental penalty (such as a fine) may not be applied.

For example, in the case of a person convicted of the crime of speculation, the court can declare a prison term as the primary penalty and append to it the supplemental penalty of a fine.

Within our country's criminal code, supplemental penalties consist of the following: being prohibited from holding certain public positions or working in certain occupations or holding certain jobs; denial of residence; probation; loss of some citizenship rights; loss of military rank; confiscation of property; and a fine when a primary penalty is not applied.

4. A Warning (Article 22 of the Code of Criminal Law)

A warning is a public reprimand by the court of a person convicted of a crime. In certain cases, in accordance with the provisions of the law, a warning can be publicly announced in a newspaper.

A warning is the lightest of the primary penalties. This penalty is a profoundly educational and preventive penalty and, as such, clearly reflects the humanitarian spirit of socialist criminal law. A warning is applied to persons who have committed crimes that are only slightly serious and which involve many mitigating details but not so many that penalty may be waived. A warning is only applied in the cases defined by law.

5. A Fine (Article 23 of the Code of Criminal Law)

As a criminal penalty, a fine is the penalty of taking from a person convicted of a crime a certain amount of money in cases defined by the law and depositing this money in state funds.

A fine is stipulated for crimes that involve commercial gain (such as speculation, blackmarketing and so forth), crimes that involve the use of money or other things of material value (such as using money or property to offer a bribe) or for other crimes defined by the law.

The size of a fine is defined by the law as a certain sum of money with a minimum and maximum amount depending upon the seriousness of the crime or can be set as a number of times the value of contraband or illegal gains.

In specific cases, the court determines the specific size of the fine and does so on the following basis:

1) The seriousness of the crime committed and 2) the financial situation of the person convicted of the crime.

A fine can be applied as the primary penalty or a supplemental penalty. Fines are applied only in cases defined by articles of law.

6. Reeducation Without Detention (Article 24 of the Code of Criminal Law)

Reeducation without detention is the penalty of forcing a person convicted of a crime to fulfill a number of obligations in accordance with the stipulations concerning reeducation without detention under the supervision and education of an assigned state agency or social organization and can have a percentage of his income deducted and deposited in state funds. Reeducation without detention is a penalty that exists only in socialist criminal law. It is profoundly humanitarian in nature. This penalty is applied to persons who commit crimes that are only slightly serious and who can be reformed and reeducated without having to be separated from society.

A person sentenced to reeducation without detention must fulfill a number of obligations in accordance with the stipulations concerning reeducation without detention and can have from 5 to 20 percent of his income deducted and deposited in state funds. A person sentenced to reeducation without detention is placed under the supervision and education of a state agency or social organization at the place where this person works or resides.

Reeducation without detention lasts for a period of 6 months to 2 years.

7. Imprisonment for a Specified Amount of Time (Article 25 of the Code of Criminal Law)

Imprisonment for a specified amount of time is the penalty of taking from a person convicted of a crime his right of freedom by separating him from society and forcing him to remain in prison for a specified amount of time under a regime of labor and reeducation stipulated by the law.

Imprisonment for a specified amount of time is the universal and most common penalty stipulated by our country's criminal code for the majority of crimes. Imprisonment for a specified amount of time is only applied as a primary penalty. The minimum length of a prison sentence is 3 months. The maximum length depends upon whether the person convicted of a crime is a minor or an adult and the crime committed: 1) 20 years for persons 18 years of age or older; 2) 20 years for a minor 16 years of age or old who commits a crime for which the highest penalty is life in prison or the death penalty; 3) 15 years for a minor between the ages of 14 and 16 who commits a crime for which the highest penalty is life in prison or the death penalty; 4) 12 years for a minor 14 years of age or older who commits a crime for which the highest penalty is 20 years in prison.

8. Life in Prison (Article 26 of the Code of Criminal Law)

Life in prison is the penalty of taking from a person convicted of a crime his right of freedom by separating this person from society and forcing him to remain in prison for an unspecified amount of time under a regime of labor and reeducation stipulated by the law.

Life in prison is applied to criminals in especially serious cases in which there are many aggravating details and which, from the standpoint of their nature, are similar to cases in which the death penalty can be imposed but which are not sufficiently serious to require the death penalty or in which the death penalty is not necessary. With the penalty of life in prison, the court can deal with cases in which the maximum prison term is not satisfactory but the death penalty is not necessary.

Due to the harsh nature of this penalty, Vietnam's criminal law does not permit it to be applied to minors who commit a crime.

9. The Death Penalty (Article 27 of the Code of Criminal Law)

The purpose of the death penalty is to remove from social life persons who have committed especially serious crimes but are incapable of rectifying their mistakes or being reeducated. In the penalty system, this is a special and the most harsh penalty. The approval of this penalty must be made only after very careful deliberation and in accordance with a special procedure. The death penalty is carried out by firing squad.

In sentencing, the death penalty can be applied to counter-revolutionaries, professional hoodlums, undesirable elements, robbers, murderers and rapists who commit crimes that are very serious in their details and which are perpetrated by elements who are very dangerous to political security and social order. For example, N.C.D. was sentenced to death for the crime of mass murder, his victims being his wife and children and his motive being to take a lover.

On the basis of the principle of socialist humanitarianism, the law stipulates that the death penalty may not be applied to minors who commit crimes. Enforcement of the death penalty may be postponed for women who are pregnant or raising children less than 12 months of age.

7809

CSO: 4209/131

INTERNATIONAL RELATIONS, TRADE, AND AID

VIETNAM

BRIEFS

VIETNAM-CONGO FRIENDSHIP--On 4 August, the Vietnam-Congo Friendship Association chaired by Phan Xuan Dot, alternate member of the CPV Central Committee and minister of forestry, made its debut in Hanoi. Many representatives of state agencies and mass organizations at the central level and located in Hanoi attended the ceremony. (Henri Ebouldi), head of the Congo-Vietnam Friendship Association delegation, and other members of the delegation were also present. [Text] [Hanoi HANOI MOI in Vietnamese 5 Aug 86 p 1] 9332/9599

CSO: 4209/123

PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

QUANG NINH OUTLINES PARTY ORGANIZATION MISSIONS

Hanoi NHAN DAN in Vietnamese 17 Oct 86 p 3

['Party Construction' column: "Situation and Mission of the Quang Ninh Province Party Organization"]

[Text] Recalling the Past 5 Years

The draft report on the situation and mission of the Eighth Party Organization Congress of Quang Ninh Province stated: To achieve the two strategic missions, the Quang Ninh party organization gives concern to promoting the production of the coal sector and firmly protecting the border region, closely coordinating the central and local economies, and gradually forming a rational industrial-agricultural economic structure within the area of the province.

The party organization considers coal production as the primary industrial sector in the province and every local economic, cultural and social activity is aimed first of all at supporting the coal sector and development of the coal sector in a role dictating the entire socio-economic situation of the province.

Under circumstances of encountering many major difficulties, the coal sector has made efforts to maintain and satisfy an important portion of the coal requirements of the national economy. However, production is still in a retarded and reduced state. Compared with the previous 5-year period (1976-1980), the number of meters of prepared shafts increased by 26 percent but total washed coal output increased by only 1 percent, overburden stripping was short by 20 million cubic meters, and lump coal, grade and quality all declined.

There are many objective reasons for the situation above but subjectively, there are still many weaknesses and shortcomings: discipline and management aspects are lax, many industrial regulations are not respected, and the use of material supplies and fuel is excessive and wasteful.

Inspection and control by the Provincial Party Committee and Provincial People's Committee still have the shortcoming of not delving into the efficiency, quality and effectiveness of production, the policies and systems in management and distribution, etc. Party construction, the education and training of cadres, party members and the worker ranks, emulation movement organization, and the struggle against negativism are not regular or resolute. However, there are many other major problems in the coal sector such as realignment, planning, capital construction, and cadre organization arrangement for which the state

has not issued clear and specific regulations. The province has also not taken the initiative to hold discussions with the coal sector on joint suggestions to the central government, and to clarify specific responsibility for resolving the basic and long-term problems of production and other major problems relating to the economic and social situation within the province.

Although other economic and technical sectors of the central government such as geology, construction, ship building and state farms in the province have completed the state plan, efficiency, quality and effectiveness are still low with especially a decline in electric power production.

A number of aspects in the local economy have developed. Of the proposed 12 primary socio-economic norms, seven achieved and surpassed the planned level, and four achieved from 73 to 91 percent (vegetables, fish, sauces, and the proportion of subsidiary food crops in grain).

Following a course of concentrating effort on developing the production of grain, food, forestry, fishing, export goods and consumer goods, Quang Ninh is emphasizing the best exploitation of every current labor, land, forest, sea, trade sector, and material-technical base capability to contribute along with the state in answering requirements critical to the lives of the people, and to serve as an in-place rear service for central economic sectors, especially the coal, electric power, etc. sectors serving combat readiness.

The Provincial Party Committee has substantiated specific resolutions on agricultural development, considers agriculture as the foremost front of the local economy, considers the export-import mission as important, and consequently has achieved relatively good results. Farming and stock raising have developed fairly well and both yields and output have increased, especially in the rice crop and in hogs. During the past 5 years, the Yen Lap Lake project was completed and placed in use, and a number of other lakes and dams were constructed as were an additional number of high-capacity electric power stations for regional irrigation and drainage and dike and dam maintenance.

However, production at the present time is still unstable due to a poor material and technical base. Labor and land are not properly used, much farmland is being usurped to build housing, and intensive cultivation in many locations is still weak. Field construction, land reform and water conservancy system perfection are being conducted in only a number of locations. The coastal dike line is not yet strong. The formation of regions specializing in industrial crop farming is slow. The production of green manure and azolla, and the processing and production of export agricultural production goods are not yet good. Draft power and tools are still scarce and their quality is poor. The hog herd in the nonagricultural area is unstable and a serious decline has occurred in breeder sows and ducks. Crop and livestock insurance work is developing slowly. Agricultural cooperatives have not been properly strengthened and many still have nonspecific contracts; and because the province and districts have not become properly responsible for supervising, assisting, guiding, managing and inspecting, a number of material and technical bases have fallen into disrepair and financial and distribution management is not firm; and the undivided capital of the cooperative has declined. Many difficulties

and agitations still exist in rear services, technical service and material supply for agriculture. The ranks of cooperative management cadres have not been strengthened to the proper level.

Forestry is defined as one of the economic strengths of the province with a primary direction of supplying mine supports while simultaneously supplying special export products with gradual advancement toward acquiring a managed forest.

However, the greatest present difficulty is that the rate of exploitation is greater than that of reforestation. Natural forest reserves declined from 6 million cubic meters in 1966 to 3.6 million cubic meters in 1984.

The foremost strength of the fishing trade has been the promotion of export shrimp and the relatively concurrent solution of a number of positions and methods for defining fishing grounds, and providing additional means for catching and preservation. Along with the catching of shrimp, the fresh and brackish water area for raising shrimp and fish has been expanded to 3,200 hectares but yields are still poor. The fishing trade still has many difficulties and the production level of previous years has not been restored. The fresh, salt and brackish water area is still great but because capital and grain are insufficient and a suitable incentive system is lacking, there is not much exploitation.

The development of local industry and small industry and handicrafts is an extremely important mission and the Provincial Party Committee has issued specific resolutions on this task and has set forth a course along with policies and methods aimed at gradually promoting the production of goods, supervising and guiding production and business organization, concurrently producing and importing a number of raw materials, coordinating with other provinces in export goods consignment, and introducing technical advances to production, thanks to that acquiring an additional number of new products such as mosquito net cloth, unbleached cotton and plastic goods, and raising the quality of porcelain and glass products.

A number of porcelain and pottery products and construction materials have not yet been restored to previous production levels. The processing of grain and food is still in poor condition. The small industry and handicrafts sector in agricultural cooperatives is developing slowly and in many places has declined. Goods are few in quantity and variety, are poor in quality, and are still high in price. The supply of material supplies, raw materials, and especially grain still creates much trouble for the laborer.

State economy is still not playing a supervisory role in the overall economy. The economic and production management of cooperatives is still lax. Family economy has not been actively assisted by the state and collective. The policy of expanding the autonomy of the basic unit and gradually building a new management mechanism demands a synchronized change in thinking and working methods aimed at alleviating the difficulties of the basic unit, but because bureaucratic centralism still exists and cadres fail to maintain close contact with the complex changes at the basic level, decision correction is still inconsistent.

Course, Mission and Objective During Next 5 Years

During the next 5 years, Quang Ninh will strive for advancement to stabilization of the socio-economic situation, first of all stabilizing and developing coal production, assisting market, price, financial and monetary stabilization, stabilize grain and food supply to partially improve the lives of the miners, armed forces and laboring people, strive to basically provide jobs for those reaching working age, and resolutely resist negative occurrences and unfairness in the distribution step. Maintain political security and social order and safety, and strengthen national defense. Build a pure and powerful party engaged in good mass work.

Concerning the coal sector, the province will strengthen party construction and worker proselytism, organize emulation movements, educate and train the worker ranks, and inspect production, compliance with policies and support for the lives of the workers.

Actual experience during many years has indicated that with a large mining area and crisscrossing relationships, if the sector only follows but does not specifically assign local areas direct responsibility to one degree or another for these important issues, it is difficult to complete the immediate as well as the long-term missions.

It is suggested that the Party Central Committee and Council of Ministers have clear and specific regulations regarding the province with the purpose of improving projection, planning and management organization of the coal mining and distribution course, and organization of the lives of the miners.

Formulate policies on wages, and on the supply of grain, food and other essential consumer goods to answer the especially burdensome work requirements and characteristics of the coal sector.

Other central economic sectors such as electric power, geology, construction and communications and transportation must rearrange production, improve management organization, gradually synchronize steps in the production line, give concern to the lives of the cadres and workers, resist negative occurrences, and strive to successfully complete the assigned state plan with high productivity, quality and effectiveness.

In the local economy, the province emphasizes total agricultural development consisting of agriculture, forestry, fishing and processing industry. In agriculture, increase grain output by more than 20 percent over 1985. Promote subsidiary food crop production, first of all corn, sweet potatoes and manioc in order to attain by 1990 a subsidiary food crop grain proportion of more than 19 percent, without destroying forests to raise manioc and other grain crops.

Strongly develop the peanut, soybean, rush, tea, tobacco and sugarcane crops; and form regions for the specialized cultivation of commodity products and to assist in creating sources of raw materials for industry and export. Strongly encourage cooperatives and families to raise tea and emphasize the processing step in order to support a large portion of the consumer requirements within the province during future years.

Build all the districts and cities into a food belt to support industry, national defense and tourism and to supply ocean going ships. Organize vegetable production with suitable varieties to ensure sufficient year-round vegetables.

Local party organizations and administrations must firmly understand that their mission of foremost importance is leadership and management to support the agricultural front. Local sectors and central economic units located within the province must all have specific and effective programs and plans for concentrating efforts in support of agriculture. Give priority to capital, material supplies and energy for the development of agriculture. Firmly coordinate agriculture with industry and small industry and handicrafts, primarily industry for the processing of exports, within each area; and process grain, food and raw materials for industry by appropriate methods in the family, collective and state-operated areas.

Promote intensive cultivation and multicropping, and strongly develop the winter crop in conjunction with area expansion. Firmly manage farmland precisely in accordance with the regulations of the state.

Concentrate on perfecting and developing the effectiveness of current water conservancy projects, and use the money and manpower of the local area, people, troops and a portion from the central government for construction of the new Truc Bai Son and Khe Che projects and a number of medium and small water conservancy projects; study the construction of additional reservoirs in Quang Ha and Hai Ninh; repair and strengthen the sea and river dikes, especially the Ha Nam dike, and build an additional number of hydroelectric complexes in order to comprehensively utilize waterpower in the eastern districts. Area with irrigation initiative will be raised to 37,000 hectares.

Besides the inorganic fertilizer and insecticide supplied by the state and imported by the province, it is necessary to emphasize the production of green and barnyard manure, to supply sufficient amounts of lime for the fields, to improve the soil, to ensure sufficient draft power and hand tools, and to advance money before the season for agricultural production.

It is absolutely necessary to raise high-yield varieties suitable for each region and each local area.

Reorganize the insect and disease forecasting system. Conduct good agricultural service with crop and livestock insurance to support all three areas, state-operated, collective and family.

It is suggested that the state ensure capital and material supplies for the mine support lumber program. During the next 5 years, only about 65,000 cubic meters of lumber must be exploited annually, including 50,000 cubic meters of mine lumber. Concentrated reforestation must also be supplied at least enough annually to plant about 7,000 hectares. In conjunction with capital from the local area, central government and the people, about 1,500 hectares of special product trees (cinnamon, anise, tung, camellia and pitch pine) will be planted. Each year, from 1,500 to 1,700 tons of pine pitch will be harvested.

The fishing trade must immediately supplement, repair and build new boats to have by 1990 at the latest a motorized fishing boat capacity of 12,000 horsepower. Concentrate on supervising all three aspects of raising, catching and processing. Coordinate production with processing, renew the consumption step, eliminate unnecessary intermediate steps, and reserve a number of boats for the procurement of fish in the Co To sea region. Construct food preservation, freezing and refrigeration and processing facilities in the two cities of Hon Gai and Can Pha. Perfect a number of production, processing and preservation facilities and further increase equipment to support the export of marine products, and build freezing and refrigeration facilities in Yen Hung and Quang Ha.

Have a policy of encouraging every location with available conditions to make salt in order to have sufficient table salt within the province and a portion to support fish processing. Study the renewal of boat repair methods along a district or interdistrict direction, or with many cooperatives in each district cooperating with each other for self-repair and organization of periodic maintenance.

Emphasize the organization and elementary and advanced training of fishermen for both the state and cooperative operations.

Organize good service on the sea to support favorable catching and procurement. Rationally organize locations for supplying oil and fishing equipment, procuring marine products, selling rice and goods, supplying fresh water, etc. on the fishing grounds.

Supplement and perfect the management mechanism and appropriate procurement policies to both ensure the lives of the cooperative member and to acquire capital for repairing and purchasing equipment.

Properly improve and manage the sale of fish and fish sauce in all cities, reduce the number of intermediate steps, and sell straight to the large households. Retail sales should be organized into points in areas and markets convenient for the consumer.

Strongly develop small industry and handicrafts, especially businesses relying on raw materials obtained locally and a portion imported. Increase the effectiveness of current state-operated enterprises and open an additional number of truly necessary new state-operated enterprises. Fully utilize the capabilities of all production sectors and economic components (state-operated, collective, individual and family) to expand association and joint enterprise between basic units in the province and with other provinces to produce consumer goods, export goods and agricultural support goods, communications and transportation, capital construction and life. Rationally realign the machine sector. Ensure sufficient hand tools for agriculture. Local goods for which raw materials are available and that require little complex technology must be studied and produced.

Because the circulation and distribution front and life organization are presently seething, it is necessary to urgently arrange and expand socialist trade,

including internal trade, foreign trade, grain, material supplies and marketing cooperatives. Immediately eliminate the unnecessary intermediate steps. In conjunction with organizing the proper acceptance of central goods, it is necessary to reorganize the procurement of local goods, to sign contracts with basic production units and to formulate rational policies dealing with the producers in order for the state to control commodity products from their origin. Reorganize and rearrange the small merchants, placing a large portion in production and service work; and a portion continuing business in goods not managed by the state or serving as agents for the retail sales of state trade, but organized by sector. Build, strengthen and rearrange markets in both the rural and urban areas. Severely punish those engaged in economic sabotage, speculation, smuggling, conniving, theft, and slipping goods from the state-operated and collective economic areas to the outside.

In prices, it is necessary to correctly apply the principles, policies and methods stipulated by the central government. Generally speaking, implement a mechanism of a single retail price with temporary application of two prices for a small number of essential goods when the supply situation is tense. Assign labor, decentralize management and strengthen inspection and control in order to ensure strict compliance with price discipline. The most important course of the socialist transformation mission and to strengthen product relations is for the state-operated economy to truly develop a supervisory role and to join the collective economy in occupying a controlling position in the national economy.

Promote the development of family economy, oriented toward the production and processing of food, the production of consumer goods, export goods, etc. The province, district and basic unit must create conditions for providing aid in seed, capital, raw materials and trade sector development with appropriate price policies in order to truly encourage the producer, to further increase products and to supplement the source of income of the laborer. For the manual producer, individual coastal fishermen and individual service operator, implement economic policies and use forms of association for guidance and assistance to create jobs and to stabilize and develop production. The standard for evaluation is the production of goods for society, proper implementation of policy and fulfillment of obligations to the state and society.

Echelons and sectors from the province to the district must regularly and directly assist and create conditions for basic units and individual laborers so they can properly complete their production mission with high productivity, quality and effectiveness. It is necessary to achieve the principles of distribution in accordance with labor and many rewards for much work precisely in accordance with the labor results produced, little reward for little work, and no reward for no work. Correctly coordinate the three interests of the state, the collective and the individual, resisting an average ideology or only emphasizing the interests of the state and the collective while neglecting the interests of the laborer, causing him to lose enthusiasm and limiting the overall results.

Continue to improve planning and plan achievement directions; carefully investigate, examine and calculate equilibrium in order to formulate plans with a firm

basis that flexibly use policies, relations and economic levers to achieve plan norms. Study the promulgation of mechanisms closely connected with rights, obligations and responsibilities in order to develop the creative initiative of the basic unit in plan formulation and achievement.

Rearrange the system of business and production facilities in conjunction with arrangement of an administrative and economic management apparatus. Simplify the administrative and economic management agencies of the district and province. Reduce the administrative and indirect staff.

The new situation and mission demand that the leadership abilities and combat strength of the party be raised. Results of political mission achievement must be used as a measurement of quality and ability with mission requirements used as a basis for cadre deployment. Concern must be given to elementary training and suitable policies for basic unit, village, subward, highland and border cadres.

Strengthen discipline in the party and state apparatus. Every cadre and party member must obey party discipline, and strictly comply with the line and policy of the party and the laws of the state.

Unceasingly strengthen ideological and theoretical work, expanding and raising the quality of education in the theoretical and practical issues of socialist construction and fatherland protection; and clarifying the theoretical and practical foundations of party resolutions and the basic viewpoints of the party aimed at strongly and firmly developing every aspect of socio-economic life.

7300

CSO: 4209/142

ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

AUTONOMY IN PRODUCTION, BUSINESS OF ECONOMIC UNITS DISCUSSED

Hanoi GIAO DUC LY LUAN in Vietnamese Jun 86 pp 3-10

[Article by Linh Ca: "The Question of Ensuring Production and Business Autonomy of Basic Economic Units Seen From the Angle of Management Strategy"]

[Text] The CPV Central Committee Political Bureau has recently issued a (draft) resolution on insuring the autonomy of basic economic units in production and business. The resolution mentions many aspects of the relationships between the state and basic production and business units, which belong to the present components of our economy, and clearly indicates the ways to resolve the major problems in the above-mentioned relationships in the spirit of abolishing bureaucratic centralism and state subsidies and carrying out economic accounting and socialist business. It is a continuation of materializing the new economic thinking, which has been reflected in Resolutions 6, 7, and 8 of the Central Committee (Fifth Term).

On the other hand, to extend the powers and to raise the sense of responsibility of the basic level is also being a key point in the campaign to perfect the economic mechanism in the fraternal socialist countries. Consequently, to analyze the major aspects of the (draft) resolution in the light of the urgent needs arising from our country's socioeconomic realities today, with consideration being given to the theoretical achievements of the socialist management science, will certainly contribute to accelerating the study and understanding of the resolution. This article tries to present a number of ideas in that direction.

I. Concept of Production-Business Autonomy

In the economies that are based on private ownership of the means of production, business operations are totally separate and have opposite economic interests. On the other hand, in this separate operating area, owners (or collective of owners) of business organizations have the full right to decide about production programs and guidelines for doing business, buying and selling materials, finished products, and so on; the economic relationships among business organizations and between the latter and the state are adjusted mainly through the market mechanism.

Under socialism, all major means of production are owned by society and there no longer exists any opposition in terms of economic interests among economic units, but their relative economic independence still remains and is legally expressed by their economic autonomy. "Relative" here means the autonomous rights have definite limits, which are widened or reduced depending on the management capabilities of the basic level and higher echelons and on the country's socioeconomic characteristics. The task of the management strategy is to determine such limits within the ability to ensure mobilizing the dynamic and creative qualities of the basic labor collectives and exploiting all sources of potential capabilities aimed at stepping up production and raising economic effectiveness in production and business. At the same time, it should be able to prevent any signs of individualism and localism, as well as the situation of being unorganized that may occur.

In order to determine the boundaries of economic autonomy we must first of all show the actual meaning of autonomy. In the theory of management, autonomy is considered the simplest right as all economic units are autonomous in administrative and organizational matters (they have their own management machinery and specific powers in connection with the collective management of workers, civil servants, means of work, and so on). In addition, these units must be autonomous in production and professional matters (units are assigned a specific part in the process of making products, obey specific industrial rules, and so on).

The principal part of economic autonomy is autonomy in production-business (there are various concepts about the actual meaning of autonomy, which depends on the limits set for it). First of all, it must cover the necessary powers for a unit to comply with the economic accounting system, to be a juridical person, to be issued fixed and liquid capital, to have the right to employ and pay workers and civil servants, to have the right to buy and sell goods and materials according to its plan (selling and buying things with customers is specified in the plan, at prices set in it), and to have the right to establish through accounting costs and profits or losses, and to set up enterprise funds.

However, the management strategy requires that the regulations on production and business autonomy of economic units specifically determine the action of the state in regard to the direction of production and reproduction (simple and expanded) of economic units and the rights of the latter to actively establish and maintain relationships involving buying and selling materials and finished products, setting prices, recruiting workers, using wage funds, bonuses, and so on. For each and every one of these matters, in the fraternal socialist countries there are different ways to deal with it. The (draft) resolution of the CPV Central Committee Political Bureau proposes our own way to deal with these matters on the basis of the actual economic situation of our country. We review hereunder some of the major matters.

II. Through Renewal of Planning Mechanism

In the socialist theory of planning, we usually distinguish two planning methods:

1. Direct planning: The state directly assigns the planning task to economic units through norms calculated by value unit (such as the volume of goods obtained, formerly value of gross output) and by in-kind unit (i.e., the norm for product with mainly specifications and quality being set). Naturally, for an enterprise to be able to fulfill this task the state must ensure supplying all of the materials needed and compel the enterprise to deliver all of the finished products that are made.

2. Indirect planning: The state uses the economic lever system (taxes, prices, bonuses, and so on) and other compulsory legal measures to make units fulfill their production and business task according to the guidelines and volume set in the state plan. Enterprises usually are allowed to directly buy materials and sell finished products to customers.

In our country, prior to the 1970's, planning had mainly been carried out by the direct method, but later because of shortages of materials enterprises had been allowed to obtain materials by themselves in order to fully use their production and labor capabilities. The products that were made of self-supplied materials were considered produced outside of their plan and thus subjected to different regulations on pricing and consumption. Today, in order to abolish the negative aspects created by that way of doing things the (draft) resolution of the Political Bureau points out: "All activities of enterprises must be reflected in a unified technical-financial-social production plan without any discrimination as to where materials and capital come from. The state thus achieves the planning of production and business of enterprises both by the direct method (i.e., through assigning norms) (Footnote 1) (The norm system as of today consists of 1-3 norms as follows: value of output of goods obtained; quantity of major products, with specifications and quality assigned and consumption specified in the plan and contracts; and payments made into the budget) and by the indirect method, through procedures and policies encouraging enterprises to obtain materials by themselves and to seek more customers for their products in order to develop production and business." (Footnote 2) (Read Vo Chi Cong's speech made at the conference to study and understand the (draft) resolution in NHAN DAN issue of 23 April 1986)

In order to let economic units exercise the right to do planning on their own initiative the management organs at an immediate higher level will encounter a series of complicated matters to be resolved in time.

a. The higher echelons must provide as plan guidelines early information about quantities of materials, services to be provided, economic and technical norms and standards, and state policies aimed at providing motivation, and any domestic and foreign economic and technical information having to do with production and business of enterprises.

b. The higher echelons must actively encourage the enterprises under their management to sign contracts for supply of materials and consumption of products so as to draft their own production-technical-financial-social plans. Then they must overcome many difficulties as they coordinate and balance the plans drawn by the lower echelons on the basis of region and sector. In the

past, enterprises usually considered planning a method of management by the state (or superior echelons) over basic units. Through its plan the state set the production task of enterprises and the production conditions which the state would ensure for them. Enterprises would thus try to "bargain" through this process of drafting and protecting plans with the higher echelons to reduce the task to be assigned to them and to increase the quantities of materials they would get. When the state failed to fully ensure production conditions for enterprises, the plans that had been the result of the above-mentioned mechanism would "shrink" and enterprises would have to expand the part to be done "outside" of the plan in order to fully use their production and work-force capabilities.

By carrying out the new mechanism enterprises are in a position to restore the real function of planning as the tool of management of their own. Their unified production-technical-financial-social plans will totally reflect the obligation of enterprises to the state and the share of enterprises in satisfying society's consumption needs.

The Political Bureau resolution thus raises the initiative of basic units in handling production and reproduction matters in conformity with society's needs, but it also forces the planning organs to make extraordinary efforts to improve the task of assigning plan goals and reviewing and balancing plans. The resolution shows an effort to carry out the principle of considering plans as central points, but the close link between the plans of enterprises and the state plan remains a subject we must continue to study.

III. Lateral Economic Relationships

For production and business units, the lateral economic relationships are mainly aimed at ensuring supply of materials for production and consumption of the finished products they have made. According to the direct planning formula, the above-mentioned work was determined by the higher echelons through the state plan. The "issuing and distribution-delivery and contribution" mechanism had negative consequences, which have been criticized, and could not really be carried out in our present economic situation. In order to carry out the new economic mechanism in the spirit of abolishing bureaucratic centralism and state subsidies and achieving economic accounting and socialist business the Political Bureau resolution sets new regulations, the major ones of which are as follows:

1. About supply of materials: "The basic view as mentioned in the resolution is to abolish the supplying of materials by the state in accordance with the 'supply of materials and delivery of products' system and to switch supply of materials to purchase and sale of materials in accordance with plans between enterprises and materials organizations through economic contracts." (Footnote 3) (Ibid., NHAN DAN issue of 23 April 1986) For implementation of the new formula some requirements have appeared as follows:

a. The organizations that deal in materials must drastically change their method of doing work, know very well the sources of materials within the country, and study the world materials markets. The organizations that supply materials cannot passively wait for orders from enterprises (which usually

come late because of delays in the plans-drawing process) but instead must be able to predict the needs for materials of the national economy so as to actively prepare the sources of supplied materials.

The resolution also decides that the organs that assign plans are responsible for ensuring supplying materials to enterprises and the organs that supply materials are responsible for fully carrying out supply contracts. However, the realities of the past few years showed that the materials-supplying organizations were able to satisfy only about 30-40 percent of the needs of enterprises. (Footnote 4) (According to TAP CHI VAT TU KY THUAT, Oct 1985) Consequently, as they switch to the business formula, the materials-supplying organizations must also adopt a dynamic way of doing business, rather than just limit themselves to fulfilling the state supply norms, and build regular materials-business relationships with the production installations that have needs for materials.

b. In order to get more materials for their needs enterprises are allowed to associate and do joint business with other economic units and to buy, either directly or through economic contracts signed with production installations and commercial organizations, raw materials that are produced in the collective, individual, or family-based economic sectors.

This self-providing requirement originates from the fact that the present difficulties having to do with materials cannot be overcome at an early date. It also can create tough competition in selling and buying things and chaos in the market, hence, the need to make definite regulation and coordination. The most convenient way is for the materials-supplying organizations to be in charge of this regulating and coordinating function. Consequently, these organizations must strive to have good control over the materials market and to be able to mobilize the sources of unsold materials. In addition, the state should allow any of these organizations which are in a position to take part in drafting production plans to contribute to creating a rational pattern of materials demand. (Footnote 5) (Ibid.)

2. About consumption of products: Recently there were suggestions to the effect that production enterprises deal by themselves with the market; in other words, they should have their own consuming organizations. However, to specialize commercial activities is a progressive trend in the division of social labor. Even in capitalist countries, the consuming function is separated from the producing function (although they may exist in a single group). Consequently, the Political Bureau resolution affirms the basic view calling for the socialist commercial system to ensure the products-consuming function in favor of enterprises. Enterprises have the right to organize consumption by themselves in a number of cases (for instance, when it involves products which the socialist commerce is not under the right conditions to do business in, or which are difficult to store, to transport, and so on).

In the case of products put aside for export, the Political Bureau resolution decides to let the export-import organizations handle them in a unified manner on the basis of various kinds of goods and under unified state management in terms of foreign trade and foreign currencies. As to enterprise unions and large enterprises, the state allow them to directly export and import and

to have economic relations with foreign countries as state regulations permit. The changes in the autonomy of basic economic units in the purchase and sale of materials and of finished products will lead to changes in the role of economic contracts regarding planning. Under the direct planning formula, these units would sign economic contracts after they were assigned tasks to fulfill within their plans and the norms for supply of materials were set for them. When plans collapsed, economic contracts would no longer be valid, as it often occurred, which indicated that the signing of economic contracts in the past had been a mere formality.

With the new economic mechanics, plans of enterprises can be fully drawn up only after they have signed economic contracts with the materials-supplying and commercial organizations, which buy their products. Consequently, it is necessary not only to stress discipline in observing contracts but also to pay attention to negotiating early the contracts that have to be signed. The new regulations also stress the need for revising the entire existing economic legal system and reorganizing the activities of economic arbitration organs and economic courts, for the purpose of dealing in time and fairly with any disputes in economic relationships among economic units (and possibly between these units and state management organs).

The new economic mechanism requires the forms of "economic integration" of enterprises to be based on economic contracts. For many enterprises, this measure of economic integration has long helped them to overcome many difficulties and to get additional sources of materials and raw materials for production. But there have been cases in which economic integration became a kind of disguised "unlawful connection." To institutionalize the economic integration relationships by means of economic contracts not only creates favorable conditions for including such relationships in our plans but also prevents the phenomena of maintaining unlawful connection and dealing in materials and goods among enterprises.

IV. Ensuring Autonomy With Economic Levers

Of the tools of management strategy the economic lever system leaves the basic economic units a larger "field of operation" than the norm system does. This is the reason why in economic reforms, as the ones that have been made recently indicate, many developed socialist countries have been paying more and more attention to perfecting the economic lever system. In reality, the economies of these countries actually offer many favorable conditions for using economic levers, such as a strong financial and banking system, a stable price system, a system of regulations and awareness and respect for the law that have long existed. On the basis of such conditions, the tendency to renew the economic lever system mainly consists of the following:

- To increase the share of actual income left for enterprises to set up production development, social welfare, bonus, and director's funds. Thanks to these measures, enterprises are in a better position to be actively renewing techniques, manufacturing new products, building houses, protecting the environment, contributing to social welfare projects in different localities, and so on.

- To increase the share of capital coming from credit in the total capital used for production by enterprises by means of applying the preferred credit treatment to achieving in-depth development of production.
- To have price subsidies for new products of high quality; to force enterprises to reduce prices of obsolete products.
- To give more authority to enterprises for them to manage better the wage and bonus funds, and at the same time to issue norm and tax procedures so as to prevent wages from being raised at a faster rate than any increase of labor productivity and, in the national economy in general, the income of workers and civil servants from increasing more quickly than the production of consumer goods does.

In our country's economy, the very great difficulties related to prices-wages-money have prevented a full application of economic lever measures. Such economic realities as budgetary deficit, bank cash overspending, excessive price increases, and so on have forced the state to limit within modest levels the measures aimed at providing material encouragement, nor to expand in an appropriate manner the right of enterprises to use economic levers on their own initiative. Originating from such realities the Political Bureau resolution contains these major measures:

a. To strengthen the financial autonomy of enterprises. Some practical possibilities are: Enterprises can create additional self-obtained capital and borrow capital from the bank (with authorization from the state, they can borrow capital in foreign currencies from other countries); enterprises are encouraged to develop in an unlimited manner their production funds and to avoid any control over reaching the maximum levels of their welfare and bonus funds, with the state making adjustment by charging a progressive receipt item when these funds exceed a set limit.

b. To achieve decentralization in price fixing in order to increase the right of enterprises to take the initiative in price matters. As to the important materials and products whose prices are set by the state, enterprises are allowed to actively draft their own price plans within the price framework and standard prices set by the state and to defend themselves in front of the price-reviewing organ. They can set prices for consumers of the items that are not included in the above-mentioned list, provided they observe the price framework set by the local administration.

c. Enterprises are allowed to apply on their own initiative the various forms of wages and bonuses and to expand the forms of piece-work and product-based wages. In addition to managing the wage funds on their own initiative, they must have a definite amount of authority to increase or reduce their own labor force. The Political Bureau (draft) resolution gives their directors the right to recruit workers on the basis of production and business needs and to fire workers and civil servants in accordance with our current laws. Enterprises have long been "ordered" to accept even unqualified persons who are under the sponsorship of some superior echelons. On the other hand, in the case of those workers who are highly specialized but belong to other localities, they cannot recruit them because they are hampered by the

household registration rules and regulations. These cases are mentioned in the Political Bureau resolution and will be resolved on the basis of discussions between enterprises and the local administration.

V. Measures To Ensure Autonomy

For some time there have been observations about the weaknesses of the enterprise management-organizing machinery in many socialist countries. Such weaknesses were seen in these facts: The management machinery was cumbersome and bureaucratic; the boards of directors were not strong enough and did not have the necessary authority; the line that divided the powers between party organizations and trade unions on the one hand and boards of directors on the other was not clearly drawn. In order to overcome such a situation those socialist countries have adopted the following major measures:

- To strengthen the authority of enterprise directors in accordance with the principle having just a single chief, and at the same time to raise the criteria for selection of directors.

- To promulgate regulations aimed at making the labor force in enterprises actively take part in the management of the latter. For instance, the Soviet Union and a number of socialist countries have promulgated laws dealing with labor collectives of enterprises, which are now given the right to take part in drafting production plans for application of technical progress, to carry out social development work within their enterprises, and so on. Many socialist countries have also adopted the system of labor collectives electing some members of the leadership of enterprises, including their directors.

In our country, in regard to organization and management, the Political Bureau resolution contains these major regulations:

a. The collectives of workers and civil servants, through enterprise councils, conferences of workers and civil servants, and labor collective conferences in teams, units, production shops, and labor union organizations, have the right to:

- Take part in drafting the guidelines, tasks, and socioeconomic plans of enterprises.

- Take part in making decisions about a rational use of various funds in accordance with policies and the law.

- Decide about the use of welfare funds of enterprises.

- Offer their opinion about selecting, using, making observations about, criticizing, commending and rewarding, and taking disciplinary action against cadres.

- Check and control production and business activities and the implementation of directors' economic management policies and procedures.

- Decide about the bylaws of enterprises.

In addition, the resolution also emphasizes the authority of directors in drafting plans, supervising production, organizing the management machinery, and putting cadres in various positions under their supervision. It requires making yearly observations and evaluation of the work of directors. If directors fail to fulfill their task and show incompetence in the position assigned to them, there will be steps required to replace them.

The Political Bureau resolution also gives the boards of directors and labor collectives of enterprises much authority in applying technical progress. The practical aspects of such authority are as follows:

Enterprises can make decisions on their own initiative about technical plans for production and products and organize their association with scientific research organs in all appropriate forms (to invite specialists to serve as advisors, to invite people to serve as collaborators, to sign economic contracts, to buy inventions, technical secrets, industrial assets, and so on). If necessary, enterprises can set up their own technical research and testing organizations and units engaged in trial production, associate with scientific and technical research organizations, or form production-technology unions.

If the above-mentioned measures are further reinforced by appropriate procedures and policies, they will put an end to the situation that has occasionally occurred, namely, decisions about production industries are mainly made by scientific and technical research organizations of ministerial level. Since these organizations are not closely aware of the actual production of basic-level installations, their decisions about applying industrial technology prove themselves economically ineffective.

Although the present economic difficulties have to a definite extent limited the extension of production and business autonomy in favor of basic-level economic units, it is in such a difficult situation that we feel extending the authority of the basic level is even more urgent. Indeed, in order to create a basic change for the economy today we must be able to arouse labor enthusiasm among the working people, first of all the revolutionary spirit and creativity of workers, civil servants, and collectivized farmers.

The limits imposed by the mechanism of bureaucratic centralism and state subsidies for so many years not only hampered this enthusiasm but also created a considerable stagnation in the thinking and working of many people, particularly those who did managerial work. That was why the proposal to renew the economic mechanism and to extend the production and business autonomy of basic-level economic units was made back at the Sixth Plenum of the CPV Central Committee (Fourth Term), but so far it has not yet been fully carried out. The recent Political Bureau resolution contains the basic points for really resolving some of the problems that have so far remained. We may hope that there will be motivations that will encourage its implementation, for the resolution truly satisfies the aspirations not only of the labor collectives of enterprises but also of the leadership of basic-level economic units. It is the basis that creates favorable conditions for enterprises to develop their creativity in production and business.

However, as our experience has shown, the effectiveness of a party resolution still greatly depends on the procedures and regulations that the state promulgates to materialize its contents. Therefore, to continue making an in-depth study of the views contained in the Political Bureau resolution is a necessary condition for those in charge of management to actively participate in drafting the regulations on extending production and business autonomy in the spirit of this resolution.

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ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

PROBLEMS IN LUMBER EXPLOITATION, TRADING FOR MATERIAL SUPPLIES

Hanoi NHAN DAN in Vietnamese 1 Oct 86 p 3

[Article by Tran Dang Thong, deputy director general of the Federation for the Processing and Supply of Forestry Products No 2 of the Ministry of Forestry: "Reexamining the Management of Material Supplies"]

[Text] In recent years, lingering hardships caused the state to be unable to provide enough material supplies for the production and construction plans of sectors and localities. As a consequence, the trade in material supplies managed by the state between agencies has become commonplace, o. worse, business transactions including buying and selling those supplies have taken place. Added to this, we must mention certain negative acts that caused the depletion of material supplies or the siphoning off of those supplies from state agencies to outsiders.

In this general picture, many forestry lumber exploitation units belonging to districts in southern provinces received authorization from higher echelons (sometimes without) to use some self-exploited lumber to trade for supplies such as cement, construction steel, tires, and fuel.

Every year, the amount of lumber traded was quite large, nearing hundreds of thousands of cubic meters. This does not include the amounts exceeding quotas which were usually two or three times the amounts authorized and other amounts used in unauthorized transactions.

At first glance, the practice seems rational. But if we look at it more carefully, the stopgap method violates the state principle of unified management for the provision of material supplies, chiefly the management of lumber that the state has vested on the forestry sector. The practice also gravely disturbs discipline and order in the receipt and delivery of lumber between exploitation units and between those units with processing, supply, and export agencies.

It is customary that when a lumber exploitation unit gets a permit (or claims to have gotten one) to use a portion of the lumber exploited with material supplies allocated by the state for trading against certain other material supplies that it badly needs, the unit would obviously set aside the most precious and biggest logs for that purpose.

The Ministry of Forestry has issued instructions defining lumber delivery sites--Category 2 lumber yards--where lumber must be delivered by exploitation units as a last step in the completion of their duties. However, exploitation sites are situated deeper and farther in the jungle. Meanwhile, material supplies, heavy equipment, fuel, and capital allocated to exploitation unit, to build bridges and open tracts were insufficient and they usually satisfied around 30 percent of the planned tasks. Therefore, for the exploitation unit hauling all the exploited lumber to delivery sites was extremely difficult. Sometimes, fuel and tires were supplied too late and with the coming of the heavy rains, tens of thousands of cubic meters of lumber were stranded in the deep jungle.

Generally speaking, our forests, including those in central Vietnam, in the highlands, and in eastern Nam Bo, do not have large reserves of lumber. The precious varieties of wood are few, and large and straight trees not affected by diseases are not abundant. Therefore, how can disputes be avoided when lumber is delivered at Category 1 yards? Enterprises processing wood for export and the federation for the processing and supply of forest products under the ministry are at the bottom of the order of priority in receiving lumber, and they used to get less than what are set in delivery standards. Moreover, the logs received had the lowest economic value, were crooked or hollow, or began to rot. Let alone waste and losses, how could processed products have a high economic value with this kind of raw material?

Because of the practice mentioned earlier, the work done by many agencies, prior to the establishment of plans, in computing the amount of material supplies, heavy equipment, and fuel to be balanced seems to make no sense. Likewise, determinations, rules, and procedures governing product delivery and material supply management issued by higher state agencies become ineffective. Decisions of the Council of Minister stipulated that only wood-processing facilities belonging to the forestry sector and some specialized wood-processing units of other ministries and sector holders of permits issued by the head of the Ministry of Forestry are allowed the supply of round logs for processing. Unfortunately, again, because of the practice mentioned earlier, the situation has been reversed: the very wood-processing facilities of the forestry sector were always short of round logs for processing, and in many instances, they had to be shut off. Most of the time, round logs delivered to the factories were of poor quality, causing problems in production. Meanwhile, wood-processing facilities belonging to other sectors, such as military units, public security, external trade, health, and construction, and even timber-sawing facilities belonging to universities, production groups, and cooperatives, although not duly authorized by the Ministry of Forestry, always had logs of superior quality available.

With regard to unifying the business management of strategic material supplies, one question may be posed: where did cement, construction steel, tires, and even automobiles and certain material supplies which had to be imported that agencies and units used to trade for lumber from lumber exploitation units come from? They probably were surpluses from the quotas of material supplies allocated to those units. It was possible that suppliers of material supplies of various levels set aside some for their "Plan 3".

It was possible also that some of the material supplies had been imported with the export of certain locally produced commodities by certain provinces and cities which used them as trading goods. Other questions may be asked:

- Is it true that every year, the state suffers a shortage of material supplies at the present level?
- Were the allocation and balancing of various types of material supplies to sectors and levels as well as ministries in charge of economic management just and were the standards appropriate?
- How can "self-balancing" be rational?
- Is the organization of the material supply business and supply system according to specialized sectors and to territorial zones rational?
- What are the problems that need to be corrected in material supply management and supply? What needs to be reexamined in matters of loopholes, deficiencies, systems, old and new policies, and provisional measures aimed at overcoming certain difficulties?

Directly placed under the central government, our unit is in charge of the business and management of lumber, and every year we suffer a shortage of other material supplies for the discharge of our duties. Moreover, precisely because lumber exploitation units are short of the same material supplies, we cannot receive in priority enough lumber of good quality. Therefore, how can we get enough lumber to address the ever-growing needs of the national economy? It is clear that this is a vicious circle that defies any logic. The consequences of the problem, which stems from the imbalance in the state's planning, balancing and managing material supplies, are as disastrous as those of a whirlwind. In its path, the latter causes other side-effects and the most symbolic is the appearance of some individuals and small groups who take advantage of the situation to fish in troubled waters.

Developing the spirit of initiative in the search for and the self-procurement of domestic material supplies to substitute for the sources of strategic material supplies that have to be imported is indispensable. Production units must be encouraged to induce the people to start a revolutionary movement to work together to this effect, and to overcome the current problems.

However, inviting units to self-procure certain material supplies that are available only through imports, and further, allowing them to use material supplies that are domestically produced according to plan to trade against imported material supplies are visible negative and stopgap ways of doing things, which ruin the principle of unity in the state management of strategic material supplies, cause prices to go up, and devalue our currency.

What should we do then? To me, there is no other way than to reestablish order and discipline in product delivery according to the state plan, especially material supplies. Computations pertaining to the balancing of material supplies made by the state, from the State Planning Commission to the

Ministries of Finance, external Trade, and Material Supplies, and by other ministries producing essential material supplies, and the banking sector, must be reexamined. The planning system must be reviewed and the planning method must be designed in such a pattern that it can be attuned to the present economic situation of our country, which is suffering a total imbalance.

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ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

CONSIGNMENT SHOPS IN HANOI STUDIED, SHORTCOMINGS DISCUSSED

Hanoi DOC LAP in Vietnamese 3 Sep 86 pp 6, 10

[Article by Tran Vuong: "Purchase, Consignment of Commodities in Hanoi: Network Is Slanted and Sources of Goods Are Dispersed; State Stores Serve as 'Agents' in Selling Retail to Dishonest Merchants; Stalls Sell Goods at Different Prices; Two Practical Proposals"]

[Text] Since the beginning of 1985, Hanoi has greatly expanded the self-marketing stalls and stalls that take goods on consignment (called purchasing and consignment stalls for short). Preliminary calculations show that by the beginning of the third quarter this year, there were more than 40 of these stalls in the city. The purchasing and consignment stalls are concentrated primarily along the main roads such as Hang Ngnag, Hang Dao, Hang Bai, and Pho Hue and in large distribution centers such as the Cua Nam zone, and the Dong Xuan and Hom markets. Stopping at the signs with the words "Purchasing and Consignment Stalls," we calculated that approximately 15 different commercial production organizations are the owners of these stalls. These organizations include the Sundry Goods Retail Sales Corporation, the Processing and Purchasing Corporation, the Cotton Thread and Ready-Made Clothing Corporation, the Integrated Commercial Business Corporation, the marketing cooperative, the Metal Products, Electrical Machinery, and Chemicals Corporation, the integrated commercial and service corporations of the four urban precincts, the ward and subward marketing cooperatives, and a number of commercial production organizations outside the commerce sector such as the Materials Corporation and the Small Industries and Handicrafts Federation. A number of stalls of the ward service and commercial corporations and subward marketing cooperatives have been opened in new locations. Most of the stalls of the Level 2 corporations were started from old stalls that used to sell industrial and consumer goods and that were directly subordinate to a retail store. Some of the stalls do a large business, with the volume of trade reaching 50,000-70,000 dong a day. That accounts for 20-30 percent of the volume of trade of the stores, such as the stores at 12 Bo Ho and 5 Nam Bo and the department store.

Many corporation directors and store heads said that because the central echelon and localities have recently encountered many difficulties in purchasing goods and maintaining the sources of goods and because industrial and consumer goods are in short supply at the state stores and consumer

cooperatives, purchasing and consignment stalls have been opened in order to enhance the appearance of the stores, create jobs for state store employees, and contribute to implementing the economic accounting policy of the units.

Looking carefully at the purchasing and consignment stalls in Hanoi, there are a number of interesting observations that can be made: In the city, there are four purchasing and consignment points that were in use before (old stores). The remaining stalls are new. The six stalls of the Metal Products, Electrical Machinery, and Chemicals Corporation purchase and take on consignment goods belonging to commercial units (various types of fans, bicycles and bicycle parts, sewing machines, and various types of metal products). Almost all of the other stalls purchase and take on consignment all types of goods regardless of sector or commodity group. Along one 400-500 meter section of Hang Dao Street, there are nine stalls belonging to state commercial organizations and marketing cooperatives that purchase and take on consignment various types of ready-made clothing, knitted goods, and various types of cloth. In the Cua Nam zone, there are three state commercial organizations that purchase and take on consignment ceiling and table fans. Those three are the Dien Bien 2 April Store (Metal Products, Electrical Machinery, and Chemicals Corporation), the Cua Nam Sundry Goods Store (Sundry Goods Retail Sales Corporation), and the Market Stall (Hoan Kiem Ward Integrated Services Corporation). These stalls are located only about 150 to 200 meters away from each other.

Carefully examining the matter of commercial commodities in the purchasing and consignment stalls, it can be seen that there are a number of types of goods brought in by students, cadres who have been in school, and laborers who have been abroad (mainly table fans, irons, vacuum bottles, bicycle parts, cloth, and ready-made clothing). At many stalls, 80 percent of the ready-made clothing and "pun" shirts of various sizes and 60-70 percent of the ceiling fans were produced in Ho Chi Minh City. Many state store employees admitted that of the goods produced in the south, only a very small percentage were sold by cadres and workers who had been to the south on business or who had been given permission to live in the south. They sold these goods in order to profit from the price differential. Most of the goods were "brought" to the purchasing and consignment stalls from Ho Chi Minh City, Danang, and other provinces by private merchants who used "trading routes." Actually, the organizations responsible have discovered many cases of private merchants bringing hundreds of meters of cloth and hundreds of ready-made clothing items to Hanoi from Haiphong and Ho Chi Minh City for supply to the purchasing and consignment stalls. The organizations responsible have also discovered many cadres from commercial corporations using corporation stationary to "obtain" goods in the provinces. They have then sold the goods to these stalls for 1-1/2 to 3 times the prices paid. (Typical examples are the 56,000 balls of the Processing and Purchasing Corporation and the 700 meters of velvet of the store at 102 Hang Dao.) At many of the consignment stalls, the state store employees have often encountered cadres, workers, and civil servants selling commodities that are sold based on the formula of limits at the state stores and goods obtainable only at the state-operated production installations. This proves that goods from the factories and stores are finding their way to the purchasing and consignment stalls. Some handicrafts goods produced in the city (such as student briefcases, book bags, rubber slippers, and ready-made

clothing) are placed on consignment at these stalls by the production installations themselves.

Some places accept everything without asking where the goods came from or why the person wants to sell them. Unwittingly, the purchasing and consignment stalls in Hanoi are serving as retail "agents" for private merchants. They are concealing the activities of and helping people who are making a living illegally.

In general, the purchasing and consignment stalls operate according to the same regulations. When a customer needs to sell something, he first contacts the purchasing team. (Each stall has a purchasing team. In the case of the store at 102 Hang Dao, the five stalls are located near each other, but there are still five purchasing teams.) Prices are agreed on by the purchasing cadres and the customers. The main basis for setting prices are the prices of those goods at the "free" markets. According to general stipulations, the selling price at the stall is the purchase price, or customer consignment price, plus 5-10 percent depending on the type of commodity and time period. The marketing method discussed above is directly responsible for the fact that the same types of goods of equal quality sell for different prices at the various stalls. On Hang Dao, two stalls subordinate to the same store sold "pun" shirts of the same size and color. But the price at one stall was 15 dong higher than at the other stall. At times, the price of plain poplin cloth differs by as much as 5-20 dong per meter depending on the stall. In June at the Thuoc Bac 24 Stall (Metal Products, Electrical Machinery, and Chemicals Corporation), Opitan-5 brand table fans with a rubber base, which are produced in the Soviet Union, sold for 2,120 dong apiece. At the Bo Ho 12 Store (Sundry Goods Retail Sales Corporation), they sold for 2,200 dong apiece. At the Nam Bo 5 Store (Sundry Goods Retail Sales Corporation), they sold for three different prices: 2,200, 2,300, and 2,600 dong apiece. At the same time, just several hundred meters down the street from the Nam Bo 5 Store on Nam Bo Road, private merchants were selling the same fan for only 2,000 dong. One time, two stalls had the same "Con Buom" brand sewing machine for sale, but the price differed by 12,000 dong. This "price disorder" at the purchasing and consignment stalls has contributed to the present "price disorder" at the markets.

Based just on what has been said above, many people have asked why there is so much confusion at the purchasing and consignment stores in Hanoi in view of the fact that they were established just recently. In response to this question, many of the people responsible in the Hanoi Commercial Service and a number of corporation directors said that the main reason concerns the leadership and guidance provided by the service, corporations, and stores. Everyone knows that the director of the Hanoi Commercial Service issued the policy on expanding the purchasing and consignment form 2 years ago. But there are still no documents to provide timely guidance for the stalls. One cadre in a position of responsibility at a service office said that "since the director issued this policy, we have not been able to study this problem in detail. We have not had the time. All we have been able to do is provide a few general guidelines. As for business plans, the service has entrusted the corporations with developing and implementing their own plans." A number of corporation directors told us the same thing. That is, the corporations have provided the

stores with general guidelines and guidelines on marketing organization, profit margins, and commissions. But actual marketing practices depend on the "ingenuity" of each store and stall. The director of the Cotton, Cloth, and Ready-Made Clothing Corporation said that to date, the corporation has still not found one cadre with the capabilities and standards to conduct a study, make proposals, and manage this new and complex business. Thus, the corporation has not been able to give the commercial stalls good guidance. What about those directly guiding lower echelons? We worked with six store managers and deputy managers and a number of stall managers. Our main conclusion was that few of these people really understood the policies and objectives of the purchasing and consignment stalls. When asked about the "free" market price of goods, the sources of the goods sold at the stalls, and the amount of business each day, few of these people could answer immediately.

With the work style mentioned above and the "permanent" unwholesome thinking of a number of cadres and state store employees, the purchasing and consignment stalls in Hanoi have expanded spontaneously. With a "blooming of a hundred flowers" business situation, the negative phenomena mentioned above have made many cadres and people in the city very unhappy.

Hanoi has always been a large and highly diverse market. Thus, the Hanoi commercial sector's policy establishing purchasing and consignment stalls to satisfy the large and diverse marketing needs is completely correct. The question that must be considered is: What can be done to ensure that these stalls operate correctly, help satisfy the requirements, contribute to expanding the industrial and small industry and handicrafts production of the city, attract more and more commodities to the markets with organized circulation (including newly produced goods and old goods still of use), create favorable conditions for customers who want to buy and sell, and contribute actively to opposing the purchase of goods for resale, speculation, the sale of bogus goods, tax fraud, smuggling in commercial production, and pushing up prices on the "free" markets?

We would like to make two suggestions with respect to the requirements mentioned above:

First, it's time to examine the operations of the purchasing and consignment stalls. The Hanoi commercial sector must conduct comprehensive studies on the activities of these stalls. In order to ensure that purchasing and consignment activities are effective and that they are carried on correctly, we feel that the sector must reexamine the marketing needs of each zone. The network of stalls and stores must then be delineated and rearranged. Speaking about the network, many people say that in zones with large consumer needs, such as around the Dong Xuan, Cua Nam, Hang Bai, Pho Hue, and Nga Tu So markets, and in a number of towns, such as Gia Lam and Cau Giay, there must be integrated marketing and consignment centers, and today's situation in which business is dispersed must be overcome. A state commercial or service organization must be entrusted with the task of unifying the management of the stores and purchasing and consignment stalls. Based on this, this organization must study plans, put forth management measures, guide marketing and prices, use material incentives, and make audits and inspections. The purchasing and consignment stalls must be given specific guidance concerning business activities. First

of all, steps must be taken to expand business activities involving old types of goods, non-commercial import-export goods, the secondary production goods of the cadres and people that have been recognized and approved by the local authorities, the new types of goods sold by the small industry and handicrafts installations on consignment after studying preferences and prices, and the small quantities of miscellaneous goods that the cadres and people want to sell because they really have no use for them.

The purchasing and consignment stalls must not be allowed to buy and sell goods bought and sold by the unified commercial organizations, goods that the production installations have produced using state-controlled raw materials, bogus goods, goods on which taxes have not been paid, smuggled goods, or goods sold by private merchants who are trying to make a profit. Inspections and audits must be made regularly and seriously in order to force the stores and stalls to carry out the stipulations on commercial goods correctly.

Second, today, the marketing and consignment of commodities is being expanded in a number of northern cities, such as Haiphong and Han Dinh, and in many provinces and cities in the south. In order to help Hanoi and many other provinces and cities expand commercial business correctly, we feel that the higher echelon guidance agencies and research organizations must have research topics and soon issue policies and documents to provide specific guidance. In particular, there must be a policy on types of goods, a tax collection policy, and economic and financial management measures that the stores and stalls can use.

11943

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ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

PHU KHANH PROVINCE OUTLINES SOCIOECONOMIC TASKS

Hanoi NHAN DAN in Vietnamese 16 Oct 86 p 3

[Unattributed article: "Socio-Economic Missions of Phu Khanh Province Party Organization"]

[Text] The draft political report of the Fourth Phu Khanh Province Party Organization Congress stated that during the past 5 years, much progress was made in the socio-economic, security and national defense aspects.

Agricultural production increased annually by an average of 16.1 percent and Phu Khanh became a province of high-yield rice. During the past 5 years, 30,000 hectares were cleared, irrigated land was increased by 4,300 hectares, and areas specialized in the raising of high-production rice, manioc, sugarcane, peaches, coffee, etc. were formed and developed.

However, substandard aspects still exist such as: the wet rice area is marking time, the area of extensive cultivation is still great, and the formation of industrial crop regions to supply raw materials for the processing industry has been slow. Stock raising development has been slow. The volume of commodity products in agriculture is still low. State farms occupy too low a proportion of area and products, are weak in management and the application of technical advances, and have not yet developed a supervisory role. The system of product contracts to the last group and laborer in the agricultural cooperatives has attained clear results but still has many difficulties due to a lack of the proper investment level in science and technology, machinery and equipment, tools, material supply, etc. Garden economy has not received the proper level of encouragement. Production reorganization and labor redistribution in agriculture has been slow and labor productivity is too low (more than 400 man-days per rice crop hectare).

In forestry, 9,800 hectares were reforested with 18 million trees for an average annual exploitation of 20,000 cubic meters of lumber, and 4,300 hectares of forest were assigned to production and business cooperatives. However, forest occupies nearly two-thirds of the natural land area but has not yet become a strength of the local area. The assignment of forested land and forests to business and production cooperatives and villages is still in form only.

A fair increase has occurred in the catching, procurement and exportation of marine products, accounting for 23 percent of the total value of exports of the entire province. The raising area has been expanded to 1,600 hectares of water

surface and new developments have been made in the raising of shrimp and kelp, and in the processing of export agar. Notwithstanding, a strong change has not been made in the production reorganization and total economic development of marine products. In reformation and production reorganization of the fishing trade, there are on one hand expressions of impatience, compulsion and loss of democracy, and on the other hand a fear of difficulty and laxity in raising, catching and processing.

In industry and small industry and handicrafts: the output of cloth, cement, sugar, paper, soap, etc. has clearly increased. Besides the centrally-operated Nha Trang Fiber Enterprise, a number of other district and province state-operated enterprises have been established.

A current difficulty is the shortage of material supplies, raw materials and energy. Industry is not strongly oriented toward agricultural support (tools, processing machinery, rudimentary means of transportation, small hydroelectric projects, etc.). Nha Trang, Tuy Hoa City and other cities have not yet become centers of industrial and small industry and handicraft development. Many consumer goods have not been produced to serve as a basis for economic interchange between the urban and rural areas in order to gradually form an agricultural-industrial district structure. Consumer goods are few in variety, small in volume and low in quality despite the rich and varied sources of raw materials and skills.

Progress has been made in the control of goods and the market by socialist trade but it is not yet firm. A weakness in the circulation and distribution front at the present time is that socialist trade development and goods control are slow. The transformation of privately operated trade is not yet good.

Political security and social order and safety have been maintained and strengthened.

The causes of shortcomings and weaknesses limiting the results attained are:

The understanding and control of general and economic policies are not profound, many problems are recognized slowly, and achievement organization is slow.

Understanding of the industrialization and large-scale production mission is not yet clear or expressed in the establishment of a rational economic structure, creation of a close industrial-agricultural relationship in each area, in production reorganization, labor distribution, and trade sector expansion, and in creation of an increasingly larger volume of quality commodity products on the basis of effectively exploiting current labor resources and production capabilities.

The entire situation has not been evaluated, recognition of favorable aspects is not profound, understanding of difficulties is insufficient, and there is no firm grasp or management in the exploitation of the strengths in labor, land, forest, sea, and traditional trade sectors. Therefore, the selection of objectives for synchronized investment and strong point development is still incomplete. A number of fields are truly strong points but the exploitation organization does not correspond.

There is a great lack of knowledge and experience in economic and social management and in planning, especially in the circulation and distribution field and in specific issues dealing with prices, wages and money.

There are also many shortcomings in party construction in the aspects of ideology, organization, cadre work and work regulations in the establishment of strong basic units. Recently in leadership and direction supervision, a number of mistakes and shortcomings have occurred. In the provincial party committee and standing committee of the provincial party committee as well as a number of other committee echelons and agencies, there are still occurrences of evading confrontation and there are still a number who have willing speech but an unwilling heart, and are not yet truly bound together in the spirit of sincere comrades. Some opinions are not in agreement, truly democratic discussion has not been held, and there is no clear conclusion as to right and wrong.

Phu Khanh defines the objectives of the coming years to be: to stabilize the socio-economic situation with continued promotion of a developed economy; to stabilize and further improve the lives of the people; to arrange rational economic and investment structures; to achieve socialist transformation and perfection of new production relations by appropriate steps; to renew the management mechanism, define a proper attitude on economic components and strengthen the industrial-agricultural alliance to promote production development; and to continuously strengthen security and national defense.

To properly use social labor forces and exploit agricultural land. To strive by 1990 to attain 685,000 tons of grain, and to expand the industrial crop area with emphasis on coconuts, oil palms, coffee, tobacco, sugarcane, peanuts, cotton, etc. To bring the hog herd up to 450,000 head and the cattle herd up to 300,000 head (with a portion crossbred animals). Important methods in achieving the mission above are to continue the application of achievements in scientific, technical, biological and other fields to agricultural production, and extraordinary development of water conservancy. Each district must construct one or two medium-size water conservancy projects, coordinate water conservancy and hydroelectric construction, and expand the area of cultivated land, especially in the midlands and western area. During the next 5 years, 40,000 laborers (a total population of 100,000) will be transferred for this mission.

Restore and develop capabilities to catch marine products, by 1990 attaining an output of 55,000 tons. Use the entire surface area of salt, brackish and fresh water to raise marine products (shrimp, fish and seaweed). Expand the area of salt pans, increase the volume of export salt, and swiftly increase the amount of chemical products made from salt. Develop farms of scientific and production unity in raising, catching and processing marine products.

Stop the burning and destruction of forests. All forested land must have someone truly in charge to protect and gradually restore forest assets. Assign bare hill land to villages, cooperatives, agencies, units, schools, cooperative member families, cadres, workers and employees to establish tree nurseries. Reforest sandy soil areas on the coast. Launch reforestation movements everywhere.

In the industrial and small industry and handicraft fields: rearrange production and rationally assign labor by sector to exploit all available production capabilities. Emphasize scientific and technical work, renew techniques, invest in depth, create many new high-volume products, and raise the quality of products. Small industry will gradually modernize and small industry and handicrafts will become increasingly skilled. Newly construct a number of provincial and district state-operated enterprises, and establish two industrial centers in the cities of Nha Trang and Tuy Hoa. Strengthen and newly construct many small industry and handicraft cooperatives in the cities and towns, and establish small industry, handicraft and technical complexes in the rural areas. The collective economic area during the next 5 years must attract an additional at least 20,000 laborers.

Promote commodity production, and swiftly develop the woven fabric, knitting, rubber, consumer metal products, porcelain, ceramic, glass, sugar, vegetable oil and construction material sectors. Make a strong change in industrial supervision, perfect provincial industrial planning, and formulate district industrial plans. Strengthen district industrial cadres, implement synchronized investment to improve the equipment of current production facilities, improve management, increase the sources of electric power of the local area (with emphasis on small-scale hydroelectricity), and improve the supply of material supplies and raw materials, including the importation of essential raw materials and supplies. Achieve good consignment contracts, renew small industry and handicraft goods, renew packaging and swiftly increase the volume of export goods of industry and small industry and handicrafts.

Open additional roads to new economic zones, and repair and upgrade roads to highland districts. Strongly develop rural transportation in the coastal, lowland and highland regions with animal-drawn vehicles, and open roads into the fields. Achieve widespread production and use of rudimentary transportation. Actively develop sea transportation and advance toward moving a large portion of goods transported within and outside the province by the sea. Properly exploit railroad transportation capabilities. Improve the management and restore firm order in the vehicle and sea transportation sector. Protect, maintain and prevent the downgrading of current transportation routes, bridges and culverts.

Strengthen capital construction supervision. Concentrate investment on three fields: energy (hydroelectricity, diesel electric power, etc.), water conservancy and the production of consumer and export goods, without new construction of projects that are not truly essential to the lives of the people. Strongly promote the movement of people throughout the province contributing manpower and property along with the state in actively constructing the Song Hinh hydroelectric project. Construct additional housing for the cadres, workers and employees, and manage the distribution of housing funds in the cities precisely in accordance with policy.

Emphasize the quality and art of construction projects. Promote the production of all kinds of rich and varied construction materials of the local area.

On the circulation and distribution front, emphasize the strengthening of socialist trade both in quality and in the operational sphere, by 1990 controlling

80 percent of retail sales; a force maintaining a supervisory position on the social market. Resist negative occurrences on the free market. Severely punish activities involving speculation, smuggling, collusion, theft, and slipping goods from that state-operated economy to the outside.

A mass movement of conservation must be launched, not wasting money, not using things extravagantly, and upholding a slogan of consumption in accordance with the production capabilities of the nation and consistent with socialist life. Agencies and units must practice strict conservation in expenditures and procurement.

Financial, banking and price activities must be oriented toward promoting the development of production.

Renew management and achieve production and business autonomy for basic level economic units.

Promote a mass movement to protect the security of the fatherland, and strongly construct security hamlets, villages, districts, agencies and units. Build strong coastal, island and highland lines. Strengthen education in national defense for all the people among the cadres, party members and people, and give concern to building the self-defense militia and reserve forces, especially providing cadre elementary and advanced training. The consolidation and construction of public security, coastal defense and local forces is an extremely important requirement. Properly implement army rear area policy and policies dealing with wounded soldiers, war dead and those with merit in the revolution.

Party construction must be closely connected with achievement of the political mission by the party organization with the purpose of ensuring the successful achievement of proposed socio-economic objectives.

Continue to uphold the worker class viewpoint and socialist awareness of the cadre and party member through full understanding and successful achievement of party resolutions to raise the combat will, concept of responsibility, spirit of overcoming difficulty, and concept of discipline organization in executing the resolutions and directives of the party and the work assignment of the organization, and in maintaining a clean and wholesome way of life. Resist every expression of declining combat will, lack of responsibility, concepts lacking organization and discipline, corruption, theft, misappropriation of socialist property, arrangements for an individual way of life, bureaucratism, authoritarianism, isolation from the masses, and taking advantage of position and power to oppress the masses.

Strictly implement the principle of democratic centralism, maintain discipline, ensure unity of will and action, and strengthen solidarity within the party organization. Resist diffusion in the leadership and direction of party and state leadership agencies in the local area. Resist a free and arbitrary attitude in complying with the resolutions and directives of the party and upper echelons.

Promote regular self-criticism and criticism and build a unified solidarity within the party organization and in each echelon, sector and basic unit. Resist every expression of individualism, parochialism and localism causing a loss of internal solidarity as well as resisting attitudes of negativism, and strictly prosecute actions retaliating against and suppressing criticism.

Supplement and perfect cadre plans and policies. On the basis of planning, formulate plans for the elementary and advanced training and arrangement of cadres, ensure immediate requirements and prepare for the years to come, and emphasize all three types of cadres (leadership, management and technical professional).

Promote the inspection work of party committee echelons, emphasizing inspection of compliance with the resolutions and directives of the party and the positions and policies of the state as well as inspection of compliance with the principles of party activity organization, and the achievement of democracy and discipline in accordance with the instructions of party statutes. Accurately and promptly resolve violations of party discipline and state law, causing the party organization at the basic level to be strong and to truly properly execute the resolutions of the party congress.

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ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

BRIEFS

JOINT BUSINESS ABUSES AIRED--In some cities and towns, joint state-private business organizations running general department stores or offering restaurant and other services were created and have been in operation for several years. However, due to the lack of strengthening and improvement actions and of close management, those organizations were abused by private businessmen who took advantage of their positions to bend or break the law. At the fresh fish joint-business store (Bien Hoa City), the supervisory agency merely monitored the business operations through reports submitted by private business reports reflected many discrepancies. On certain months, business income was four times what was reported. Simple computations show that for this store alone, the state has lost over 200,000 dong in taxes. Likewise, at a fabrics joint-business store in another city, in the first 9 months of 1986 market management agencies uncovered tens of cases in which private businessmen stealthily brought in their personal goods to sell. Those businessmen took advantage of the joint businesses to get rich, and so far, no appropriate measures have been taken to correct the problem. It is suggested that party committees, local authorities, and the market management sector keep a closer eye on the activities of joint businesses and resolutely put an end to wrongdoing by those private businessmen who are camouflaged under the label of joint businesses. [Tex.] [Hanoi NHAN DAN in Vietnamese 30 Sep 86 p 2] 9458

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CSO: 4209/117

AGRICULTURE

VIETNAM

INCREASED FOOD CROP PRODUCTION REQUIRES TECHNICAL ADVANCES

Hanoi NHAN DAN in Vietnamese 17 Oct 86 p 1

[Editorial: "Rapidly Introducing Subsidiary Food Crop Technical Advances to Winter-Spring Production"]

[Text] Basic units and local areas throughout the country are actively beginning 1986-1987 winter-spring subsidiary food crop production with a spirit of rationally exploiting the available land, labor and material-technical bases in order to create additional grain for human and livestock consumption and to increase the source of export agricultural goods.

Winter-spring subsidiary food crop production recently achieved fair results. The area of subsidiary food crops throughout the country reached 730,000 hectares, a 16 percent increase; and subsidiary food crop output in paddy equivalent attained 890,000 tons, an increase of 100,000 tons over the 1984-1985 winter-spring subsidiary food crop. A number of primary subsidiary food crops such as corn, sweet potatoes and western potatoes all increased over the previous winter-spring season in area, yields and output. One of the factors influencing winter-spring subsidiary food crop yields and output has been our introduction of technical advances in propagation and new farming methods to production; creating many high-yield models within the sphere of the cooperative, district and province. Nevertheless, there are still a number of difficulties in the present subsidiary food crop production of our country such as a lack of good high-yield varieties consistent with the ecologic regions; investment in primary material supplies for subsidiary food crops such as fertilizer, insecticides, draft power, etc. has not received the proper level of attention and has been unbalanced; there not yet policies aimed at truly encouraging subsidiary food crop production; the procurement, processing and distribution of subsidiary food crops have not been resolved, creating an obstructed situation in circulation; and many technical advances in subsidiary food crops have not been widely applied within each region and on a nationwide scale.

In the coming 1986-1987 winter-spring season, efforts will be made to achieve 1.1 million tons of subsidiary food crops in paddy equivalent, including 500,000 tons of winter subsidiary food crops in paddy equivalent. To achieve this objective, each local area and each basic unit must concentrate supervision on rapidly introducing subsidiary food crop technical advances to production. First of all, subsidiary food crop varieties with high-yield potential must be emphasized. Quickly propagate newly imported western potato varieties by sprout cuttings or tuber division; while simultaneously screening the Thuong

Tin western potato group. Widely use the TSB2 and MSB49 corn varieties in the winter crop; primarily the VM2 variety in the winter-spring corn crop; and the TSB2, MSB49 and Song Lam varieties in the spring corn crop. Nurture and screen the Chiem Dau and Hoang Long sweet potato varieties and quickly propagate sweet potato variety number 59. Research, guidance and application of subsidiary food crop technical advances must follow a synchronized and effective program with immediate results in the production season. A problem of major significance is good organization and supervision in the dissemination of technology in an orderly, easy to understand and easy to remember form and theme to the laborers. Technical cadres from the central government, province and district, and research cadres in scientific institutes and schools must be encouraged to visit basic units to guide laborers in the application of technical advances by the formula of closely connecting responsibilities and benefits to the final product.

To properly support the rapid introduction of subsidiary food crop technical advances to 1986-1987 winter-spring production, sectors from the central to the local level must firmly coordinate their methods of thinking and working, considering agriculture as truly the foremost front in order to have a concentrated and synchronized investment course and supervisory methods this very winter, to create a strong change in the production structure, to actively contribute toward achievement of the 1986-1987 winter-spring crop goal of 8.3 million tons of grain, and to make accomplishments to welcome the Sixth National Party Congress.

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AGRICULTURE

VIETNAM

CHANGES IN AGRICULTURAL MECHANIZATION SUGGESTED

Hanoi NHAN DAN in Vietnamese 30 Sep 86 p 3

[Excerpts of letter by Nguyen Huu Tien of the General Department of Technical Agriculture Equipment: "Redirecting Investments in Agricultural Mechanization"]

[Text] Economic Efficiency Not Commensurate with Levels of Investments

In past years, we have invested billions of dong in strong foreign currency in mechanization. From 1975 to the present, agricultural organizations have been equipped with over 13,000 big tractors, over 10,000 small tractors, and over 50 large and small repairs shops; the total investment amounted to hundreds of millions of rubles and dollars. With the total pull power equipped, each year we could have been able to do earth work for over 6 million hectares of cultivable land. Nevertheless, if we take 1980 which was the year with the highest achievements, in the entire country only 2.3 million hectares or 27.3 percent of the planting area, were done, in 1984, the ratio even went down alarmingly: just over 21 percent.

Why was the investment efficiency so low? Some actual causes may be cited as follows:

- Equipment allocation was made without due research and study, resulting in an imbalance and lack of homogeneity of equipment. Larger investments were used to import tractors while an inappropriate allocation was given for the importation of repair parts and of raw and other materials for the production of auxiliary machines, resulting in the inability to use to the optimum the pull power developed by machines on hand.
- The importation of tractors was done impetuously. In the period 1976-80, the total pull output by new machines was over three times the output of all machines imported 15 years earlier. To a certain extent, imports were made to satisfy the "tractor prejudice" of some localities, leading to piecemeal investments and lack of thorough planning in investments. Equipment was given to some places lacking conditions for proper use and repair and resulted in marginal efficiency and even waste.
- In recent years, several thousand tractors made in Western countries were distributed to the south. Maintenance problems arising from lack of mechanical

expertise and repair parts created an additional economic and technical dependency that should not have taken place.

- Technical guidance in recent years has been dwindling. Since 1975, the technical management of tractor stations and of state farms has not been effective enough and has caused a large number of machines to break down. Statistical data obtained from the tractor sector showed that every year, 10 to 15 percent of the machines on hand had to be disposed of.

- Repair work and the domestic manufacture of accessories were not given proper attention and suffered many deficiencies. We now have a repair network consisting of hundreds of workshops constructed all over the country with large investments. However, in recent years, due to a serious shortage of spare parts, most of these workshops worked at only one-third of their capacity. In the meantime, more and more machines in state farms and in cooperatives broke down. Facing this situation, instead of boosting the domestic production of spare parts and earmarking allocations in foreign currency to import those parts to assist our repair shops, we focused instead on "on-the-spot repair services," paralyzing our workshops, loosening upon technical specifications in repair work, and lowering the efficiency of repair work.

We failed To Exploit to Optimum Facilities on Hand

Since the 1960's, in the north, tens of thousands of small engineering points were built for the cooperatives and equipped with diesel generators, transformer stations, mini-mechanical plowers, milling and husking machines, threshers, and blacksmith and carpentry workshops. In the year of the liberation, the south also had on hand extensive paraphernalia for small machines with over 10,000 mini-mechanical plowers, hundreds of thousands of low-power diesel motors, over 160,000 small power pumps, over 8,000 milling and husking machines, etc. But since 10 years ago, the provision of assistance and support for those facilities have fallen almost into oblivion, and there were no plans for the distribution of raw materials and of imported spare parts. Farmers had no choice but to try everything possible to save their machines and this situation led to more and more machines breaking down. The small-machinery apparatus is in serious decline and the direct consequence is that many programs in agricultural production in the rural areas have become more difficult, chiefly earth work, processing, transportation, and tool production and repair.

- In the south, since 1978 owned pull power was reformed and reorganized into pull power collectives. This was a correct policy aimed at gradually harmonizing the new production relationships in the south's rural areas. Nevertheless, after the reform, there was no appropriate guidance and no follow up actions to provide maintenance and repair for the collectivized machines. Worse, the machines were virtually let down because no spare parts were distributed, causing the rapid elimination of a large number of tractors which could have lived longer.

If no corrective measures were taken, in just 5 years we could lose the remaining 2,000 to 3,000 tractors. I wonder how much foreign currency the state would have to spend to replace the loss?

Tools for Agricultural Workers Are Left Uncared For

In the north, from the 1960's until 1975, at times the improvement of tools has become extensive movements that produced a rich variety of creative ideas. In the south, the farmers were also very fond of the improvement of their tools. But for decades, ensuring good tools for the farmers has been nothing but lip service. In agricultural production, on the average, each worker needs 5 tools, but at present, in the north, the availability is only 3, and in the south, 2.7. Many improved and semi-mechanized tools such as rice-threshing spinners, improved carts, ox carts, transport barges, etc., are very scarce. In new economic zones, there is even a shortage of ordinary tools. Meanwhile, in the tool production and distribution system, certain contradictions difficult to understand still lingered. A modern production chain specialized in making hoes for the Go Dam Engineering Plant (Bac Thai) was paralyzed because nobody bought its products. At times, a district had a bottleneck of 30,000 plows, and in many provinces, here and there, tools piled up because they could not be sold. Were there a serious mess and a lack of management guidance in the provision of material supplies and raw materials in the production and distribution of tools?

At present, tractors have done only 21 percent of the earth work for production and, therefore, nearly 80 percent that remains must be done by manual labor, which has to do other work as well.

The above situation stemmed from many causes. But to me, the most important cause was that we failed to have a good grasp of the peculiarities of the first phase of the transitional period of our country, and to follow strictly the direction and steps of the mechanization of agriculture as party resolutions have defined.

We failed to make a right start, given the real situation of our country whose agricultural mechanization took place while our manufacturing industry was marginally effective. We also failed to assess correctly the assets accrued from the income of the people and from the national product to set an appropriate level and pace for our investments.

In the immediate future, we will need to redirect our investments to a new depth, reducing monies allotted for importing new tractors and importing more accessories and spare parts (which cannot be domestically produced) to maintain and restore the machines. A substantial portion of our investments will be set aside for the manufacture and rebuilding of accessories and spare parts. We will rapidly put an end to bureaucratic and overbearing practices in the distribution of machines and accessories for agriculture. Machines will be imported and sold to production units according to the motto "The State and the People, the Central and Local Governments Work Together," gradually progressing toward the use of the accrued capital of the production unit to buy the new equipment. In the meantime, we will strongly reorganize the tool distribution mechanism with a more rational apportionment, a decentralized system, and an all-out effort to solve the tool shortage problem for the agricultural worker.

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AGRICULTURE

VIETNAM

BRIEFS

ABUSE OF AUTHORITY AIRED--As in many other cooperatives in Thanh Chuong District (Nghe An), the animal husbandry movement husbandry movement at the Cat Van Cooperative is strongly developing, and its cow herd is multiplying very fast. However, some members of the management committee took the liberty to invent certain rules that were quite illogical. For example, the Cat Van Cooperative forced us to sell veal and calves to the cooperative at giveaway prices that were half or, at best, two-thirds of the market price. Any family who dared to disagree was given a hard time by the cooperative, which artificially delayed its approval of prices. Selling to outsiders was not allowed and, moreover, fines were given to families for the simple reason of trying to do so. Those fines must be paid right away, and procrastinating caused them to become heavier. By all sorts of artifices, the cooperative coerced its members into selling veal and calves to it. With regard to purchasing pork for the state, the cooperative did not bother to campaign for it but used to set prices extremely low and forced farmers to sell on its terms, causing the people's enthusiasm in breeding to wear thin. It is requested that the district people's committee and the agricultural bureau of Thanh Chuong District dispatch cadres to make an on-the-spot inspection, to advise the cooperative in abiding by current policies and to create favorable conditions for a better development of the hog and cattle breeding movement. [Text] [Hanoi NHAN DAN in Vietnamese 29 Sep 86 p 2] 9458

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TRANSPORTATION AND COMMUNICATIONS

VIETNAM

RIVER TRANSPORT PROBLEMS IN HA NAM NINH PROVINCE DETAILED

Nam Dinh HA NAM NINH in Vietnamese 12 / 86 p 2

[Article by Hoang Tan Anh, director of the Ha Nam Ninh River Transport Corporation: "The 4th Provincial Party Organization Congress--Thoughts and Suggestions: the Urgent Problems of River Transportation"]

[Text] Communications-transportation, in general, and river transportation, in particular, are, as confirmed in the resolutions of the national congress of the party and the congress of the provincial party organizations, important sectors. The draft of the report of the executive committee of the provincial party organization at this congress also points out: "...Priority must be given to the development of river transportation... We must reorganize forces and build and repair means of transportation so that we can quickly restore transportation capacity, increase cargo handling capacity, increase our wharf, storage yard and warehouse capacity, reduce costs and shorten the turnaround time of means of transportation..."

However, a serious evaluation shows that the river transportation sector has not developed along these lines over the past several years. The number of new means of transportation put into service has been insignificant. At the same time, the shortage of materials and energy to meet repair needs has grown. The equipment that has been in use for many years is wearing out at an increasingly fast rate. The number of tons of capacity being taken out of service is steadily rising and will reach even higher levels in subsequent years. Because it has little capital and few materials, our corporation has been forced to solve this problem by fixing equipment that only needs minor repairs first and making maximum use of old and substitute materials in parts of lesser importance while closely inspecting repair work, beginning when plans for the repair of equipment are formulated. Despite these steps, we have still been unable to perform all the repair work that must be done.

To meet major repair requirements in 1986, we need 8 million dong. But the province only approved an allocation of 3.3 million dong for major repairs, in addition to which we had to repay 1 million dong borrowed last year, leaving us with a total of 2.3 million dong, a shortage of roughly 5 million dong. To solve this problem, we suggest that the provincial budget allocate the money necessary to insure that the amount of repair work performed is stable and gradually increased.

The investment of capital and materials in repair work must be concentrated mainly in the state-operated sector. The waterway transport sector of cooperatives, because of its management mechanism and requirements, is better able to resolve problems with materials, time and money than the state-operated sector. Therefore, when allotting capital and setting supply norms, the province must give priority to solving the problems of its key forces, state-operated forces, in the construction of ramps, garages, machine shops and so forth. Because it lacks conditions needed to support repair work, the Ninh Phuc repair facility of the River Transportation Corporation is only operating at one-half of its capacity.

As regards transportation charges, severe changes over the past several years have led to increased transportation bringing increasingly large losses. Under the current rate schedule, the revenue from the transportation of 1 ton of coal from Quang Ninh to the province has declined by more than 15 dong. The revenue from the transportation of 100 persons per kilometer is 130 dong but the cost is 203 dong, 70 dong of which are spent on fuel. As regards passenger transportation within the province, we suggest that it would be more sensible for the province to apply the retail prices of the home trade sector and periodically adjust ticket prices.

Very many difficulties are being experienced in cargo handling at both shipping and receiving points, which have directly reduced transportation capacity. To make one shipment of cargo from Quang Ninh or Haiphong, a ship must wait roughly one-half month to be loaded and unloaded. In the 2 years 1984 and 1985, the River Transportation Corporation, as a result of delays in loading and unloading, transported 6 to 7 million fewer tons per kilometer per year, a 10 percent reduction in its transportation capacity. To solve this problem, we suggest that the province take two steps: first, it should immediately set up a unit with all the necessary authority in Quang Ninh and Haiphong to expedite cargo and resolve cargo handling problems on the receiving end. In the case of products such as nitrogen fertilizer and grain, shipments in stages should be arranged. The owners of means of transportation should not be allowed to make their own cargo handling arrangements. Only in this way is it possible to reduce the incidence of negative phenomena and insure that products reach the province quickly, systematically and in the full amounts required under plans.

Secondly, it should reorganize the piers within the province so that they have the necessary equipment, specialized cargo handling forces and a stable system of warehouses and should not turn means of transportation into floating warehouses. At present, the delivery of cargo at the individual piers within the province is very slow because there are no centralized warehouses, no specialized labor and, lastly, because means of transportation are being used as floating warehouses and must wait to deliver their cargo to one truck or oxcart at a time.

Problems with equipment, particularly steering cables, are very acute. Cable for ships is an indispensable material and there is nothing that can be used to take its place. Only with cable for ships and barges is it possible to insure their safety, particularly during the flood season. Our minimum need is 7 tons per year but we usually receive only 2 tons. The 2 tons of cable we

received in 1986 was not of the right type, which caused very many difficulties for ships. We maintain that, in view of the province's strong export potentials, the Federation of Export-Import Enterprises can and must work up a plan for importing cable for distribution in accordance with the plan of the province so that we can guarantee that the primary transportation plans for exports and other products are met.

Capital and materials for repair work, transportation charges, cargo handling and cable are the most acute and pressing problems of the river transport sector today. Only by resolving these problems well in the immediate future is it possible to reduce the turnaround time of means of transportation and give basic units the autonomy they need to perform their political task in the best way possible, thereby helping to bring about changes in the socio-economic situation within the province.

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POPULATION, CUSTOMS, AND CULTURE

VIETNAM

HA NAM NINH SENDS 14,000 PERSONS TO NEW ECONOMIC ZONES

Nam Dinh HA NAM NINH in Vietnamese 30 Sep 86 pp 1, 4

[Article by Doan Vuong and Tran Cong Thuc: "During the Past 9 Months, Nearly 14,000 Persons Have Gone To Build New Economic Zones"]

[Text] During the past 9 months, our province has sent nearly 3,000 households consisting of 14,000 persons, including slightly less than 7,000 laborers, to build new economic zones in Lam Dong, Gia Lai-Kontum, Dac Lac and a number of areas within the province itself. Many districts, as a result of their determination to organize and guide the move to new economic zones, have achieved rather high results, representative of which are: Gia Vien District: 2,564 persons; Xuan Thuy District: 1,739 persons; Nam Ninh District: 1,580 persons...

Our provincial transportation sector and the Railroad General Department provided 426 trips by motor vehicles and 25 train trips (120 cars) to transport people and their belongings from villages to trains and then on to the new economic zones.

Upon their arrival in these new land areas, these people quickly stabilized their living conditions, clearing and putting under cultivation on schedule nearly 4,000 hectares of land. The three new villages of the districts of Gia Vien and Nam Ninh in Cat Tien in Lam Dong Province and Hai Giang (Hai Hau District) in Minh Giang in Gia Lai-Kontum Province have recorded successful harvests.

Together with relocating persons outside the province, capital construction within the province's new economic zones has been accelerated. More than 1 million cubic meters of dirt have been dug and spread to make sea dikes and projects supporting production. More than 1,000 square meters of housing, schools and medical aid stations have been constructed and 36 project items have been completed and put into use. The people have also cleared and put under the cultivation of rushes, rice and subsidiary food crops more than 2,000 hectares of land. To protect the fruits of their labor, they have also planted 546 hectares of mangroves to protect sea dikes against waves.

The districts of Xuan Thuy, Nghia Nung, Kim Son, Thanh Lien and Kim Bang have sent 400 households consisting of 1,631 persons, including 800 laborers, to

develop the potentials of the new economic zones within these districts. The new economic sector has organized the implementation of the potable well drilling program and the family planning program in new economic zones rather well through aid from the United Nations. It has supplied and promptly put into use three general medical examination offices for the new economic zones of Xuan Thuy, Tam Diep City and Kim Bang to serve our fellow countrymen.

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SCIENCE AND TECHNOLOGY

VIETNAM

SYSTEM FOR TRANSFERRING STATISTICAL INFORMATION DESCRIBED

Hanoi THONG KE in Vietnamese Jun 86 pp 19, 20

[Article by Nguyen Thi Hao: "A Formula for Transferring Statistical Information From the Localities to the Central Echelon"]

[Text] Transferring statistical information is an important task in the statistics sector's production of information products. Transferring information from one statistics agency to an higher echelon statistics agency within the state's system of statistics agencies is like transporting raw materials from the place where they are obtained to the place where they are processed. Transporting the "raw materials" well will contribute to improving the quality of the statistical information.

The best way to ensure that information is transferred from the departments to the general departments in a timely and accurate manner is to synchronize the technical equipment of the two echelons. Because if the departments are responsible for transferring information, it is the general departments that are responsible for receiving and processing the information--the two tasks are linked to each other in the information production regulations, and the "products" of the one can become the good "raw materials" of the other only if the production means of both are synchronized. Here, synchronization does not mean that the two echelons must have the same equipment. Naturally, there will be differences concerning scale and characteristics. The central echelon must have larger and more modern equipment than the localities.

Today, we do not have such synchronization. The general departments have been equipped with a number of modern computers and teletype machines. But at the statistics departments, the amount of equipment is limited, and it is very different. Many departments still don't have a computer and so they must use manual means to process and transfer information. Recently, the statistics sector began using teletype machines but to a limited degree only, partly because of the high cost. Thus, information (statistical tables) must still be transferred mainly by using the services of the posts and telecommunications sector. At the general departments, it is the staff departments that receive the reports. At these units, when reporting, examining, and processing the information received, almost everything is done manually. A number of departments have sent data to the central data processing enterprise for processing. But not many have done this, and the results have been poor.

Moreover, in doing that, there are many things that are not in accord with modern information processing techniques. Thus, there is still a glaring division between the transfer and the processing of information. The transfer of information is not aimed directly at the target, which is processing. Information must be passed through an intermediary, the staff departments. This has resulted in delays, information has been scattered, and a scientific basis is lacking in the two tasks. This has had a bad effect on the quality of the information product.

In order to overcome the temporary difficulties mentioned above and make full use of the existing technical equipment and means of transferring information, I think that the following method can be used to transfer information from the departments to the general departments:

1. At the general departments, information processing must be carried on completely by computer. The information and reports of the statistics departments should be received by the central data processing enterprise. After that, the results of the information processing will be transmitted to the staff departments in the general departments based on the requests submitted by each department.

2. With respect to the statistics departments:

- a. Statistics departments equipped with teletype machines and C-8205 computers:

After information from the primary level units and sectors reaches the statistics departments, it will be processed by a C-8205 (or C-8205Z) computer. If the results are to be reported to the localities, they will be printed in tables. Results to be reported to the general departments will be obtained using 5-channel oiled paper tape. After that, teletype machines (which use 5-channel tape also) will be used to transfer the information to the general departments. The teletype machines at the general departments will receive the information using 5-channel oiled paper tape. The information will then be sent directly to the computer for processing.

- b. Statistics departments equipped with teletype machines only:

The information received will be processed using simple tools such as adding machines and Casio calculators. The results--the report tables--will be transmitted to the general departments by teletype. The receiving teletype machines at the general departments will print out the information on 5-channel oiled paper tape, which will be sent to the computer for processing.

- c. Statistics departments equipped with C-8205 computers only:

The information arriving at the department will be processed using a C-8205 (or C-8205Z) computer. If the results are to be reported to the localities, they will be printed in tables. Results to be reported to the general departments will be obtained using 5-channel oiled paper tape and then transmitted to the general departments using public means of communication or any means available (aircraft, automobile, motorcycle, and so on). The general

department receiving these oiled paper tapes will send them to the computer for processing.

d. Statistics departments not equipped with teletype machines or C-8205 computers:

The information that is receiving will be processed using simple means. The results will be shown in report tables. The departments will transmit these "black and white" report tables to the general departments using public means of transportation or any means available. At the general departments, these tables will be fed into keypunch machines into order to put the data on keypunch cards for computer processing (along with the results of the statistics departments in a, b, and c above).

In order to implement the above formula for transferring information, a number of specific tasks must be carried out:

The norms and report tables (of inspections and regular reporting procedures) which the departments are responsible for reporting to the general departments must be standardized.

Courses on processing statistical information must be developed at the general departments and departments with computers.

Code books must be constructed to convert the information from ordinary language into computer language and to transfer the information without disturbance.

Things must be coordinated closely with the communications and transportation and the posts and telecommunications sectors in order to give priority to transferring the data (types c and d) of the statistics departments. At the same time, the general departments and departments must fix the days and times for receiving information.

There are a number of other specific problems concerning processing techniques and information transmission that must be solved.

I feel that the implementation of the above formula for transferring and processing information is a transitional step for the statistics sector during the process of replacing the manual means of transferring and processing information with modern means. In the future, the means of transferring and processing information used in the statistics sector will gradually be improved. We will then have the ability to "link" the processing centers at the statistics departments with the processing centers at the general departments.

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